CORPORATE OFFICE : KANGANWAL ROAD, V.P.O. JUGIANA, G.T. ROAD, LUDHIANA- 141 120 (INDIA)
PBX : PHONE : 00-91-161 4692500 (30 Lines)
FAX : 00-91-161-2510084
VIST US : www.gargltd.com
CIN : L74999DL1983PLC017001

GARG ACRYLICS LTD.
FOUR STAR EXPORT HOUSE

GAL/2025-26 **Date: 04th September, 2025**

The Head- Listing & Compliance,
Metropolitan Stock Exchange of India Limited,
Vibgyor Towers, 4th floor, Plot No C 62, G - Block,
Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E),
Mumbai – 400098, India.

Subject: 41st Annual Report of the Company for the Financial Year 2024-2025

Dear Sir/ Madam,

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the financial year 2024-2025 along with the Notice convening the 41st Annual General Meeting (AGM) of the Company scheduled to be held on Monday, the 29th day of September, 2025 at 03:00 P.M.at the Registered Office A-50/1,Wazirpur Industrial Area, Delhi-52 . In compliance with relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Notice convening the 41st AGM and the Annual Report of the Company for the financial year 2024-2025 is being sent through electronic mode to all the Members of the Company whose email addresses are registered with the Company/Company's Registrar and Transfer Agent i.e. Skyline Financial Services Private Limited. The Annual Report for the financial year 2024-2025 including the Notice convening the 41st AGM is also available on the website of the Company www.gargltd.com.

You are requested to take the above mentioned information on your records.

Thanking you,
Yours faithfully,
For GARG ACRYLICS LIMITED

Priya Rani

Digitally signed by Priya Rani

Priya Rani
Company Secretary

41st ANNUAL REPORT
2024-25

GARG ACRYLICS LIMITED.

COMPANY INFORMATION:

BOARD OF DIRECTORS

Sanjiv Garg	(Din No. 00217156)	(Chairman, Mg. Director)
Rajiv Garg	(Din No. 00444558)	(Managing Director)
Ujjwal Garg	(Din No. 01234439)	(Whole Time Director)
Sanjay Sahni	(Din No.08364951)	(Independent Director)
Avnish Dhingra	(Din No.09102065)	(Independent Director)
Misha Nayar	(Din No.09110365)	(Independent Director)

CHIEF FINANCIAL OFFICER
Ramandeep Singh

COMPANY SECRETARY
Priya Rani

STATUTORY AUDITORS
KAMBOJ MALHOTRA & ASSOCIATES
Chartered Accountants
B-XX-2815, 2nd Floor, Gurdev Nagar
Pakhowal Road, Ludhiana-141001

BANKERS
Punjab and Sind Bank
Punjab National Bank
IDBI Bank Ltd
Indian Bank
Yes Bank Limited
HDFC Bank Limited

SECRETARIAL AUDITORS
R.K. LOOMBA & ASSOCIATES
K-208, Kismat Comlex, G.T. Road,
Miller Ganj, Ludhiana- 141003.

REGISTRAR & SHARE TRANSFER AGENT
M/S Skyline Financial Services Pvt. Ltd.
D-153A, First Floor, Okhla Industrial Area,
Phase-1, New Delhi-110020.

REGISTERED OFFICE
A-50/1 Wazirpur, Industrial Area,
Delhi-52

CORPORATE OFFICE
Kanganwal Road, V.P.O Jugiana,
G.T Road, Ludhiana.
Telephone: 0161-4692500
Email:gargacrylics@yahoo.com

CONTENTS

GARG ACRYLICS LIMITED.
(CIN No. : - L74999DL1983PLC017001)
Regd. Off.- A-50/1, Wazirpur, Industrial Area, Delhi-52
Website: www.gargltd.com Email: - gargacrylics@yahoo.com

NOTICE

Notice is hereby given that the 41st Annual General Meeting of the members of Garg Acrylics Limited will be held on Monday the 29th day of September 2025 at 3:00 P.M. at the Registered Office A-50/1, Wazirpur Industrial Area, Delhi-52 to transact the following business:-

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Standalone & Consolidated Audited Balance Sheet as at 31st March, 2025, Profit & Loss Account and Cash Flow Statement for the year ended on that date together with reports of Directors & Auditors thereon.

2. To appoint a director in place of Mr. Ujjwal Garg (DIN 01234439) who retires by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS:-

3. To Approve payment of remuneration to Cost Auditor M/s. Meenu & Associates, Cost Auditors for the financial year ending 31st March, 2026

   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 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and Companies Cost Audit rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Meenu & Associates, Cost Auditors, Ludhiana appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2026, be paid the remuneration of Rs. 55,000/- (Rs. Fifty Five Thousand Only).

   RESOLVED FURTHER THAT Sh. Sanjiv Garg, Managing Director be and is hereby authorized to do all acts and take all such steps as may be necessary or expedient to give effect to this resolution."

4. To Appointment of M/s R.K. Loomba & Associates, a Practicing Company Secretary (sole proprietor firm) 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 Regulation 24A of the Securities and Exchange

Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and based on the recommendation of the Audit Committee and Board of Directors of the Company, consent of the Members be and is hereby accorded for appointment of M/s R.K. Loomba & Associates, Practicing Company Secretaries, sole proprietorship firm (peer-reviewed by the Institute of Company Secretaries of India) having ICSI Membership No - FCS NO – 3359 and CP NO- 4029 for a term of 5 (five) consecutive years beginning from FY 2025-26 and up to FY 2029-30, at such fees, plus applicable taxes and reimbursement of out-of-pocket expenses, if any, at actuals, as agreed upon between the Board of Directors of the Company and the Secretarial Auditor.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and are hereby jointly or severally authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required to give effect to this resolution."

By Order of the Board
For Garg Acrylics Limited

Place: Ludhiana
Dated: 13.08.2025

Priya Rani
Company Secretary
M. No. A54000

IMPORTANT NOTES:

1. The Explanatory Statement pursuant to Section 102 (1) and under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") of the Companies Act, 2013 ('the Act') relating to the Ordinary Business and Special Business to be transacted at the 41^{st} Annual General Meeting (AGM) under Item No. 3,4 is annexed hereto.

2. The Registers of Members and Share Transfer Books of the Company will remain closed from Monday 22^{nd} September, 2025, to Monday 29^{th} September, 2025 (both days inclusive).

3. A Member entitled to attend and vote at the ANNUAL GENERAL MEETING (AGM) is entitled to appoint a proxy/proxies to attend and vote instead of himself/herself. Such a proxy/proxies need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in 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 proxy for any other person or shareholder.
   The instrument of Proxy in order to be effective, must be received at the Registered Office of the Company, duly completed and signed not less than 48 hours before the commencement of the AGM. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, societies etc. must be supported by an appropriate resolution/authority as applicable.

4. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company at its Registered Office, a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Annual General Meeting.

5. As Amended by SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 dated June 08, 2018 members holding shares in physical form are mandatorily

requested to dematerialize their holding in order to eliminate all risks associated with physical shares. Members can contact the Company or RTA- Skyline Financial Services Private Limited, New Delhi for further assistance.

6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demats accounts. Members holding shares in physical form can submit their pan details to the Company or to RTA- “Skyline Financial Services Private Limited”, New Delhi.

7. The Notice of the 41st Annual General meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Annual Report for 2024-25 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report along with notice inter alia, indicating the process and manner of e-voting along with Attendance Slip, Proxy Form is being sent by the permitted mode. Members may note that this Notice and Annual Report 2024-25 will also be available on the Company’s website, www.gargltd.com for their download.

8. Members/Proxies attending Annual General Meeting are requested to bring their attendance slip (duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.) along with their copy of the Annual Report.

9. Members desirous of seeking any further information about the financial statements of the Company are requested to address their queries to the Company Secretary & Compliance Officer at the Registered Office of the Company, at least 7 days in advance of AGM, so that the information, to the extent practicable, can be made available at the Annual General Meeting.

10. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend or change in registered address along with pin code number and relevant evidences are requested to write to the Company or its Registrar i.e. Skyline Financial Services Private Limited, New Delhi. Members holding shares in electronic form shall update such details with their respective Depository Participants with whom they are maintaining their demat account.

11. To support the ‘Green Initiative’, the Members who have not registered their e-mail addresses are requested to register the same with their Depository Participants or with Skyline Financial Services Private Limited, New Delhi to enable us to send them the communications meant for the members via email.

12. SEBI has mandated the submission of Permanent Account Number (PAN) by every securities market participant. Members holding shares in electronic form are therefore requested to submit their PAN to the DP with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to M/s. Skyline Financial Services Private Limited, New Delhi.

13. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) rules, 2014 as amended from time to time and

Regulation 44 of Listing Regulations, Members have been provided with the facility of "remote e-voting" (e-voting from a venue other than place of Annual General Meeting) on resolutions proposed to be considered at the ensuing Annual General Meeting. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL). The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

14. Mr. Sunny Kakkar, Practicing Company Secretary (M. No. FCS 10111 & C.P. No. 12712) has been appointed as the Scrutinizer to scrutinize the voting and e-voting process in a fair and transparent manner. The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same and declare the result of the voting forthwith.

15. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.gargltd.com and on the website of CDSL immediately after the declaration of result by the Chairman. The results shall also be immediately forwarded to the Metropolitan Stock Exchange of India Limited, Mumbai.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

i. The voting period begins on 26.09.2025 at 10.00 a.m. and ends on 28.09.2025 at 5.00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19.09.2025 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.

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

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL**	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest arehttps://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	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 or joining virtual meeting & voting during the meeting. 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

	Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned 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	Help desk 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.comor contact at 022-23058738 and 22-23058542-43.
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 toll free no.: 1800 1020 990 and 1800 22 44 30

i. Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

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.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at https://www.cdslindia.com from Login – Myeasiusing your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. 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 as mentioned in instruction (v).

a) After entering these details appropriately, click on "SUBMIT" tab.

b) 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 mandatory 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.

c) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

d) Click on the EVSN for the relevant <Company Name> i.e. Garg Acrylics Limited on which you choose to vote.

e) 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.

f) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

g) 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.

h) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

i) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

j) 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.

k) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

l) **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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 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 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 i.e. gargacrylics@yahoo.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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 on 022-23058542/43.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

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.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 3

Pursuant to the provisions of the Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the Cost Audit is required to be conducted in respect of the Cost Accounts maintained by the Company. Upon the recommendations of Audit Committee, the Board of Directors in its meeting held on 30th May, 2025 had appointed M/s. Meenu & Associates, Cost Accountants (Firm Registration No. 100729) as Cost Auditors of the Company to conduct audit of cost records for Financial Year ending 31st March, 2026. The consent of the members is solicited for passing an Ordinary Resolution as set out at Item No. 3 of the notice for ratification of payment of remuneration to the Cost Auditors for the Financial Year ending 31st March, 2026.
The Board recommends the Ordinary Resolution as set out at Item No.3 of the accompanying Notice for approval by the Members.

Memorandum of Interest:

None of the Directors/ Key Managerial Personnel (KMP) of the Company/ their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 3.

Item No. 4

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024, w.e.f. 13th December 2024, all listed entities incorporated in India shall appoint a Secretarial Auditor for not more than one term of five consecutive years; or a firm of Secretarial Auditors for not more than two terms of five consecutive years, with the approval of its members in its Annual General Meeting.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on 13th August 2025 has approved the appointment of M/s R.K. Loomba & Associates, Practicing Company Secretaries, sole proprietorship firm (peer-reviewed by the Institute of Company Secretaries of India) (FCS NO – 3359, CP NO-4029) as the Secretarial Auditor of the Company, to conduct the Secretarial Audit for five consecutive financial years commencing from April 01, 2025, until March 31, 2030 (‘the Term’) and to furnish the Secretarial Audit Report for the Term as required under the Act and the Listing Regulations, subject to shareholders’ approval at this Annual General Meeting.

Brief Profile/Credentials

M/s R.K. Loomba & Associates, is Peer Reviewed Firm having more than 35 year professional experience having wide range of Legal, Secretarial and Taxation matters and provide services to various Listed/Unlisted entities , Banks and other Institutions. While recommending M/s R.K. Loomba & Associates for appointment, the Board and the Audit Committee evaluated various factors, including his capability to handle a diverse and complex business environment, its existing experience in the Company's business segments, its industry standing, the clientele it serves, and its technical expertise. Renowned for its commitment to quality and precision, the firm has been Peer Reviewed by the Institute of Company Secretaries of India (ICSI), ensuring the highest standards in professional practices. The Firm focused on providing comprehensive professional services in corporate law, SEBI regulations, FEMA compliance, and allied fields, delivering strategic solutions to ensure regulatory adherence and operational efficiency.

The Board recommends the Ordinary Resolution as set out at Item No.4 of the accompanying Notice for approval by the Members.

The terms and conditions for appointment of M/s R.K. Loomba & Associates are as follows:

• Tenure - 05 consecutive years, to conduct the Secretarial Audit of five consecutive financial years commencing from April 01, 2025, until March 31, 2030;
• The services to be rendered by M/s R.K. Loomba & Associates as Secretarial Auditors is within the purview of the said regulation read with SEBI circular no. SEBI/ HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024.

The remuneration for the subsequent financial years will also be approved by the Board and/ or the Audit Committee. M/s R.K. Loomba & Associates has provided its consent to act as the Secretarial Auditor of the Company and has confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the Listing Regulations.
Accordingly, the consent of the shareholders is sought for the appointment of M/s R.K. Loomba & Associates as the Secretarial Auditor of the Company.

Memorandum of Interest:

None of the Directors and/or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested, in the Resolution mentioned at Item No. 4 of the Notice.

By Order of the Board
For Garg Acrylics Limited

Place: Ludhiana
Dated: 13.08.2025

Priya Rani
Company Secretary
M. No. A54000

ANNEXURE-1 TO THE NOTICE

Information Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the Directors seeking appointment/ re-appointment in the Annual General Meeting

Particulars	Retire by rotation
Name of the Director	Sh. Ujjwal Garg
Date of Birth	08-09-1985
Date of Appointment	01-04-2006
Qualification	B.Tech (Textile)
Expertise in Specific Area	Business Experience of about 15 years in Textile Industry
Directorship in other Companies as on 31st March, 2023	Shubham Yarns Private Limited
Chairman/ Member of Committees of other Companies as on 31st March, 2023	------
Shareholding in the Company	900800 shares (8.48%)
Relationship With Other Director	Mr. Sanjiv Garg is the Father and Mr. Rajiv Garg is the Father's brother of Mr. Ujjwal Garg.
No. of Board meetings attended during the year	7 out of 7

DIRECTOR'S REPORT

The Members of
Garg Acrylics Limited

The Directors of your company have pleasure in presenting the 41st Annual Report together with the Audited Accounts for the year ended March 31, 2025.

1. FINANCIAL RESULTS:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with The Companies (Accounts) Rules, 2014. The financial statements for the financial year ended 31st March, 2025 as well as comparative figures for the year ended 31st March, 2024 are Ind AS compliant. The financial highlights of your Company for the year ended 31st March, 2025 are summarized as follows:

	Standalone		Consolidated	
	(Rupees in Lacs)		(Rupees in Lacs)	
	2024-25	2023-24	2024-25	2023-24
Revenue from operation	175369.82	160514.11	175369.82	160514.11
Profit before depreciation	5449.78	589.29	5449.79	589.29
Depreciation	3670.63	2980.78	3670.63	2980.78
Profit before taxation	1779.15	(2391.49)	1779.16	(2391.49)
Provision for taxation				
- Current year tax	0.00	0.00	0.00	0.00
- Deferred Tax Assets (Liabilities)	(354.95)	309.45	(354.95)	309.45
-Previous Year tax Provisions/written Back	(5.92)	(8.01)	(5.92)	(8.01)
Profit after tax	2140.02	(2692.93)	2140.03	(2692.93)
Net profit attributable to				
- Owners of the Holding Company	N.A	N.A	2322.52	(2561.98)
- Non-Controlling interest	N.A	N.A	0.00	0.00
Earning per Share				
- Basic	32.22	(40.54)	32.22	(40.54)
- Diluted	32.22	(40.54)	32.22	(40.54)
Dividend per Share	Nil	Nil	NIL	Nil

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A) BUSINESS REVIEW:

Economic Outlook:

The global textile market experienced weak demand with slow consumption growth in FY 2024-25 due to lingering economic uncertainties and inflation, despite slight improvements in some markets like the

EU and China. While industry sentiment showed regional disparities and some resilience from garment producers, key concerns were weak overall demand and slowing order momentum, especially in East Asia and Europe. India, however, bucked the global trend, showing a rebound in textile and apparel exports and strong domestic demand, benefiting from evolving trade dynamics and supportive government policies, including new mega textile parks.

Globally, 2024 has been an eventful year. The year witnessed unprecedented electoral activity on the political front, with more than half of the global population voting in major elections across countries. Meanwhile, adverse developments like the Russia- Ukraine conflict and the Israel-Hamas conflict increased regional instability. These events impacted energy and food security, leading to higher prices and rising inflation. Cyber-attacks also became more frequent and severe, with growing human and financial consequences due to the increasing digitization of critical infrastructure. Geopolitical risks and policy uncertainty, especially around trade policies, have also contributed to increased volatility in global financial markets.

In advanced economies, where inflation surged to multi decade highs following the pandemic, price pressures are expected to moderate but remain uneven. Wage cost pressures, potential tariffs and limited innovation undermining global competitiveness in some sectors are likely to persist across European economies and the UK. In the US, we expect the moderating trend in inflation will remain in place through early 2025, though it could then change as deregulation, potential immigration restrictions and tariffs lead to a renewed inflation impulse.

Global headline inflation continues to rule above the target for most economies with persistent services and core inflation hindering the pace of disinflation. IMF in its April 2025 'World Economic Outlook' predicts global inflation to reach 4.3% in 2025 and 3.6% in 2026, with notable upward revisions for advanced economies and slight downward revisions for EMDEs (Emerging Market and Developing Economies) in 2025.

Generally easing inflation should continue to favor monetary policy recalibration in the near term. But while central banks will find plenty of reasons to pursue their policy easing cycle, they will almost certainly recalibrate with caution given the risks from inflation volatility tied to trade, wages, energy and food cost pressures. As a result, global monetary policy will be desynchronized as central bankers respond to divergent domestic and international conditions and may even be forced to tighten policy amid resurgent inflationary and exchange rate pressures.

In an era marked by escalating global trade tensions and persistent geopolitical uncertainties, the Indian economy has demonstrated remarkable resilience and robust growth. India's GDP grew by 6.5% in FY 2024-2025. The OECD's 2025 Economic Outlook Report predicts India's GDP growth will lead G20 nations at 6.3% in 2025 and 6.4% in 2026. Amid global economic slowdowns, India aims for a $32 trillion economy by 2047, focusing on increased business ties with the EU. India's growth engine remains heavily dependent on the government's infrastructure spending on roads, ports and highways, in the absence of significant improvement in private investment. Going forward, domestic growth should benefit from government's income tax cuts announced in the federal budget, as well as "monetary easing, expectations of an above normal monsoon and lower food inflation"

On the inflation front, domestic inflation declined from 5.36% YoY in FY24 to 4.63% YoY in FY25 – indicating moderation in overall price levels. This is the lowest annual inflation since FY20. This milestone highlights the effectiveness of the RBI's progrowth monetary policy –balancing growth and price stability. Notably, the year-on- year inflation for Mar'25 fell to 3.34% - the lowest monthly inflation rate since Aug 2019. RBI projects that India's CPI-inflation will progressively align towards the inflation target of 4% in FY26. Assuming a normal monsoon, the inflation is predicted to be at 4.0% in FY26.

The Union Budget 2025-2026 promises to continue Government's efforts to accelerate growth, secure inclusive development, invigorate private sector investments, uplift household sentiments, and enhance spending power of India's rising middle class.

The Budget proposes development measures focusing on poor (Garib), Youth, farmer (Annadata) and women (Nari). The Budget aims to initiate transformative reforms in Taxation, Power Sector, Urban Development, Mining, Financial Sector, and Regulatory Reforms to augment India's growth potential and global competitiveness. Looking ahead, India's economic prospects for FY26 are balanced. Headwinds to growth include elevated geopolitical and trade uncertainties and possible commodity price shocks. Domestically, the translation of order books of private capital goods sector into sustained investment pick-up, improvements in consumer confidence, and corporate wage pick-up will be key to promoting growth. Rural demand backed by a rebound in agricultural production, an anticipated easing of food inflation and a stable macroeconomic environment provides an upside to near-term growth. Overall, India will need to improve its global

Indian Textile Industry

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The textile industry in India traditionally, after agriculture, is the only industry that has generated huge employment for both skilled and unskilled labour. In 2024, the textile industry in India will be one of the most critical industries in the country. The industry has shown significant growth over the past few years and is expected to progress further in the coming year.Textile companies can benefit from the rising demand for high-quality fabrics, as well as from a steady influx of skilled labour from outside India. Additionally, the government's Make In India initiative has enabled many companies to access cheaper raw materials and modern technologies, which are helping them become more competitive.

The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

The textile industry contributes approximately 2.5% to the national GDP, around 7% to industrial output, and nearly 12% of the country's total export earnings. It is also one of the largest employment-generating sectors, providing livelihoods to over 45 million people, both directly and indirectly, across the entire value chain – from cotton cultivation and yarn production to garment manufacturing and retail.

Cotton:

Cotton is a fiber, oil, and protein yielding crop, where India stands first in cotton production among the top cotton producers globally. India is geographically divided into 3 zones i.e. North, Central and South Zone, total accounting for 95% of cotton production. India has production of 4 species of cotton, diploid cotton, hybrid cotton, upland cotton, and Egyptian cotton. India cotton production covers 45%, 30% and 24.7% area of diploid, hybrid and upland cotton respectively. Cotton has multiple applications from making textiles to make oil to feed cattle. The textile industry is a dominant end-user of cotton yarn in India and the textile industry is one of the largest industries in India. The textile industry is a dominant

end-user of cotton yarn in India and the textile industry is one of the largest industries in India. Textiles industry accounted for 62% share and healthcare industry around 10% share in the applications of cotton.
India's cotton production for the FY25 season is projected to decrease by 7% Y-o-Y, reaching approximately 30.2 million bales (bales of 170 kg each), primarily due to reduced acreage and crop damage from excessive rainfall. Consequently, cotton imports are expected to rise by 42% to 2.5 million bales, while exports may decline by 37% to 1.8 million bales. The increase in imports is further supported by lower international cotton prices and tariff uncertainties, making imported cotton more cost-effective for Indian buyers.

Opportunities & Threats:
Opportunities- With abundant raw material base, cheap labour & availability of latest technology, India is one of the largest exporters of yarn in international market with over 25% share of the global trade in cotton yarn. GAL has large & diversified segments that provide wide variety of products with manufacturing flexibility to meet growing demand. In post covid scenario, the factors that have created a significant opportunity for Indian textile players include i) Uncertainties around US-China Trade war; ii) Sanctions imposed on cotton originating from Xinjiang (largest producer of cotton in China; around 65% supply); iii) China plus one strategy being adopted by large international brands to diversify their supply sources and iv) Reduced Chinese yarn making capacity.

Threats - Volatility related to agricultural yield and production exposes the company's operations to volatility in cotton prices. As the exports comprise about 50% of the total revenue, it exposes margins to forex risk. Adverse demand and impact on raw material prices especially MMF on account of any geo-political factors at the world level. Continuous quality improvement is need of the hour as there are different demand patterns all over the world.

B) FINANCIAL ANALYSIS AND REVIEW OF OPERATIONS:

Sales Review:
During the year under review, the Company has registered Revenue from Operations of Rs. 1753.69 crore as compared to Rs.1605.14 crore in the previous years. The exports of the Company were Rs. 680.87 crore as against Rs. 675.88 crore in the previous years.

Production:
The production during the year 2024-25

Yarn	Garments	Knitted Cloth
61967 MT	27.22 Lacs	2014 (MT)

Profitability:
The Company earned profit before depreciation, interest and tax of Rs. 107.97 crore as against Rs. 50.08 crore in the previous year. After providing for depreciation of Rs. 36.70 crore (Previous year Rs. 29.80 crore), interest cost of Rs. 53.61 Crores (Previous Year Rs. 44.75 Crore), provision for tax Rs. 0.00 crore (Previous year Rs. 0.00 crore), provision for deferred tax (net of adjustments) Rs. (3.54) crore (previous year Rs. 3.09 crore), the net profit/(loss) from operations worked out to Rs. 21.40 crore as compared to Rs. (26.92) crore in the previous year.

Resources Utilization:

i) Fixed Assets:

The fixed assets (including work-in-progress) as at 31st March, 2025 were Rs. 389.62 crore as compared to Rs. 407.36 crore in the previous year.

ii) Current Assets:
The current assets as on 31st March, 2025 were Rs. 650.39 crore as against Rs. 683.79 crore in the previous year. Inventory level was at Rs. 369.68 crore as compared to the previous year level of Rs. 401.00 crore.

C) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has a system of internal controls in place to ensure that all the transactions are properly recorded and authorised.

D) MANAGEMENT PERCEPTION OF RISK AND CONCERN:

The textile business, like other businesses, is susceptible to various risks. The primary risk factor is raw material prices, mainly cotton, which is the largest component of cost. Since cotton is an agriculture produce, it suffers from climatic volatility in the major cotton producing countries. This in turn creates uncertainties for textile manufacturers. Another important issue is the availability, quality and price of power. The availability of good quality power at reasonable prices is critical for sustainability of the industry. However, the cost of power has been continuously increasing, adding to input cost pressure in the industry. The non-availability of skilled manpower along with high labour cost prevailing in the country is growing concern area for textile industry. We are making all efforts to cope up with the challenges through continuous cost reduction, process improvements, diversification of products, rationalization of costs, training the workforce on the continued basis, improving efficiencies and creating a strong customer oriented approach.

E) HUMAN RESOURCES:

The company is of firm belief that the Human Resources are the driving force that propels a company towards the progress and success. The company has strength of 4888 employees at present. The company is continuing its efforts for improvement in work culture wherein employees can contribute to their potential. The Industrial relations continued to remain cordial during the year under review.

F) DETAIL OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIO:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key financial ratios. The detail is as under:-

Ratios		F.Y. 2024-2025	F.Y. 2023-2024	Changes (%)	Remarks
1.	Debtors Turnover Ratio	9.37	8.38	11.81	-
2.	Inventory Turnover Ratio	4.20	3.95	6.33	-
3.	Interest Coverage Ratio	1.33	0.45	195.55	Due to better profits this year, the ratios have improved more than 25% over the previous year.
4.	Current Ratio	1.39	1.35	2.96	-

5.	Debt. Equity Ratio	1.01	1.16	-12.93	-
6.	Operating margin Ratio	4.06	1.27	219.68	Due to better profits this year, the ratios have improved more than 25% over the previous year.
7.	Net Profit margin	1.22	-1.68	172.09	Due to better profits this year, the ratios have improved more than 25% over the previous year.
8.	Return on net worth	4.82	-5.58	186.38	Due to better profits this year, the ratios have improved more than 25% over the previous year.

3. SHARE CAPITAL:

The paid up Equity Share capital as on 31st March, 2025 was Rs.6,64,28,000. During the year under review, the Company has neither issued any shares nor granted stock options or sweat equity, and also not made any provision for purchase of its own shares by employees or by trustees.

4. DIVIDEND:

To conserve the resources, the Board of Directors does not recommend any dividend for the year under review.

5. TRANSFER TO RESERVES:

During the year the Company has not transferred any amount to reserves.

6. SUBSIDIARY, JOINT VENTURES & ASSOCIATE COMPANY:

As on March 31, 2025, the Company does not have any associate and Joint Ventures but having one Subsidiary i.e. Garg International (Partnership Firm).

7. MATERIAL CHANGES BETWEEN THE DATE OF BOARD REPORT AND END OF THE FINANCIAL YEAR:

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

8. CHANGE IN NATURE OF BUSINESS:

There is no change in the nature of the business of the company.

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

The information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo as required under Section 134 (3)(m) of The Companies Act, 2013 read with Companies (Disclosure of Particulars in the report of Directors) Rules 1988 is annexed and forms part of this report as **Annexure-I.**

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Ujjwal Garg, Whole time Director of the company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment.

Second term of Mr. Pardeep Kumar Makkar as an Independent Director have completed in the 40th Annual General Meeting held in the year 2024.

None of Directors of the company is disqualified under Section 164(2) of the Companies Act, 2013.

11. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

12. REMUNERATION POLICY:

The Nomination & Remuneration Committee of the Company has formulated the Nomination & Remuneration Policy on Director’s appointment. The remuneration policy includes the criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under Section 178(3) of the Companies Act, 2013. The Nomination & Remuneration Policy is annexed hereto and form part of this report as **Annexure –II**.

13. AUDITOR & AUDITOR’S REPORT:

Pursuant to the provisions of section 139 of the Companies Act, 2013, the members of the Company at the 38th Annual General Meeting held on 29th September, 2022 re- appointed M/s. Kamboj Malhotra & Associates (Formerly known as Malhotra Manik & Associates), Chartered Accountants (Firm Registration No. 015848N) as statutory auditors of the Company from the conclusion of 38th Annual General Meeting till the conclusion of 43rd Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company
The Report given by the Auditors on the financial statements of the Company is part of this Report. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further the notes to accounts referred to in the Auditor’s Report are self-explanatory.

14. SECRETARIAL AUDIT REPORT:

M/s R.K. Loomba & Associates, Companies Secretaries in practice were appointed as a Secretarial Auditor of the Company by the board of directors for the financial year 2024-25. The Secretarial Auditor of the Company has submitted their report in Form No. MR-3 as required under Section 204 of Companies Act 2013 for the financial year ended 31st March, 2025. No adverse comments have been made in the said report by the Practicing Company Secretary. Their Report form parts of this Report as **Annexure-III**

Annual Secretarial Compliance Report
A Secretarial Compliance Report for the financial year ended 31st March, 2025 on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, was obtained from M/s R.K. Loomba & Associates, Secretarial Auditors, and submitted to the stock exchange, the same is also annexed hereto and forms part of this report as **Annexure-III**. Secretarial Auditor have given one adverse remark in its report, remarks and reply of management on it is as follows:

Auditors Remarks	Management's Reply
Only 98.60 % of promoters holding is in demat form. Whereas as per Regulation 31(2) of SEBI LODR Regulations 2015, the company is required to maintain 100% shareholding of promoter group in demat form	Owing to an ownership dispute between two promoters involving 56,800 shares, which is currenily sub judice before the Hon'ble NCLT, and the fact that 7 original promoters, collectively holding 560 equity shares, remain untraceable despite persistent efforts, the Company has been unable to initiate the demat process for these shares.

15. COST AUDITORS:

The Board of Directors has appointed M/s Meenu & Associates, Cost Accountants as the Cost Auditors of the Company to conduct Cost Audit of the Accounts for the financial year 2025-26. However, as per provisions of Section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014, the remuneration to be paid to the Cost Auditors is subject to ratification by members at the Annual General Meeting. Accordingly, the remuneration to be paid to M/s Meenu & Associates, Cost Accountants for financial year 2025-26 is placed for ratification by the members.

16. NUMBER OF BOARD MEETINGS:

Seven (7) meetings of the Board of Directors of the company were held during the Financial Year 2024-25.

17. AUDIT COMMITTEE:

The Audit committee comprises of Independent Directors namely Mr. Avnish Dhingra (Chairman), Mr. Sanjay Sahni and Mrs. Misha Nayar as other members. Miss Priya Rani is the Secretary of the committee. All the recommendations made by audit committee were accepted by the board.

18. CORPORATE GOVERNANCE:

The Company has in place a system of Corporate Governance. A separate report on Corporate Governance forming part of the Annual Report of the Company is annexed hereto. A certificate from the M/s Manik Malhotra & Associates, Chartered Accountant regarding compliance of conditions of Corporate Governance as stipulated under Corporate Governance Clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the report on Corporate Governance.

19. EXTRACT OF ANNUAL RETURN:

The Annual Return of the Company, pursuant to sub-section 3 (a) of Section 134 and the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2024-2025 in the Form MGT-7 and extract of the Annual Return in Form MGT-9 has been uploaded on Company's website at www.gargltd.com.

20. CORPORATE SOCIAL RESPONSIBILITY:

The Corporate Social Responsibility Committee of the Company has formulated and recommended to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company, which has been approved by the Board. The disclosures related to CSR activities pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 9 of Companies (Accounts)

Rules, 2014 and Companies (Corporate Social Responsibility) Rules, 2014 is annexed hereto and form part of this report as **Annexure - V**.

21. STATEMENT OF PARTICULARS OF EMPLOYEES:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Information pertaining to employees pursuant to section 134 of the Companies Act, 2013 is Nil.

The disclosures in respect of managerial remuneration as required under section 197(12) read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto and form part of this report as **Annexure-VI.**

22. VIGIL MECHANISM:

The Vigil Mechanism of the Company, which also incorporates a whistle blower Policy in terms of the Listing Agreement aims to provide a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman/ Chairman of the Audit Committee in exceptional cases.

23. INDUSTRIAL RELATIONS:

The Industrial relations remained cordial through out the year and have resulted in sustained growth of the company.

24. ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

The Board of Directors has evaluated the performance of the Board, its Committees and the Individual Directors as per the Nomination and Remuneration Policy. The Independent directors of the Company also review the performance of Non- Independent Directors and the Board.

25. CONSOLIDATED FINANCIAL STATEMENTS:

In the compliance with provisions of section 129(3) of the companies Act 2013 read with the companies Account Rules 2014, the company has prepared consolidated financial statements as per the accounting standards on consolidated financial statements issued by ICAI. The audited consolidated financial statements along with Auditors Report thereon form part of this report. Further a statement containing salient features of the subsidiary/associate company is disclosed separately (in Form AOC-1) and forms part of this report as **Annexure-VII.**

26. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All Related Party transactions entered during the financial year were on arm's length basis and in the ordinary course of business. There were no materially significant related party transactions with the Company's promoters, Directors, Management or their relatives, which could have any conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval. There was no material contract or arrangement or transactions with Related Party during the year. Further Form No. AOC-2 is annexed hereto and form part of this report as **Annexure –VIII.**

Your Directors draw attention of the members to Note 39 to the financial statement which sets out related party disclosures.

27. PARTICULARS OF LOAN GIVEN, INVESTMENT MADE, GUARANTEE GIVEN:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

28. DEPOSITS:

The Company has not invited/accepted any deposits from the public during the year ended March 31, 2025. There were no unclaimed or unpaid deposits as on March 31, 2025.

29. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3) (c) & (5) of the Companies Act, 2013, the Directors report that:-

i. In the preparation of the annual accounts, the applicable Indian Accounting Standards (Ind-AS) have been followed along with proper explanation relating to material departures.

ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit/loss of the company for that period.

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

iv. The Directors have prepared the annual accounts on a going concern basis.

v. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

vi. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:-

During the year under review no such complaint or grievance occurred under the Act named The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

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

32. LISTING:

The company's equity shares are listed at Metropolitan Stock Exchange of India Limited and Annual Listing Fees for 2025-26 have been paid.

33. DEMATERIALISATION:

M/s Skyline Financial Services Private Limited, New Delhi is the Registrar and Share Transfer Agent (RTA) of the company. All activities relating to company's listed securities physical and in Demat (form) are being undertaken by Skyline Financial Services Private Limited. The address & contact nos. are:-

M/S Skyline Financial Services Pvt. Ltd.
D-153A, First Floor,
Okhla Industrial Area,
Phase-1, New Delhi-110020.
Tel: 011- 64732681 - 88
Fax: 011-26812682

The members are advised to send their shares to R.T.A.

34. ACKNOWLEDGEMENTS:

The Directors wish to extend their sincere thanks to State & Central Government Agencies, Financial Institution and Banks, Suppliers and Customers for their continued support and co-operation.

The Directors also wish to place on record their deep appreciation for the services rendered by the workers & staff at all levels.

By order of the Board
For GARG ACRYLICS LIMITED

Place: Ludhiana	**Rajiv Garg, Managing Director**	**Ujjwal Garg, Wholetime Director**
Dated: 13.08.2025	**DIN: 00444558**	**DIN: 01234439**

ANNEXURE-I

Particulars of Energy Conservation, Technology Absorption and foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.

Additional information as required under Section 134 (3)(m) of The Companies Act, 2013 read with Companies (Disclosure of particulars in the Report of Directors) Rules, 1988 and forming part of the Director's Report for the year ended on 31st March, 2025.

I. CONSERVATION OF ENERGY

(a)	the steps taken or impact on conservation of energy:	Conservation of energy has been given major priority during selection and approval of Plant & Machinery. In day-to-day operations, the company has always been conscious of the need to conserve energy and has always attempted various measures on suggestions of experts in the areas where reduction in energy and fuel & oil consumption is possible.
(b)	the steps taken by the company for utilizing alternate sources of energy:	Nil
(c)	the capital investment on energy conservation equipments:	Nil

II. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

1. Efforts made towards technology absorption:
The latest technology has been adopted in the plant to get better product quality and to reduce consumption of scarce raw material and energy.

2. Particulars of technology imported in last five years.

a)	Technology Imported :	Nil
b)	Year of import:	N.A.
c)	Has technology been fully absorbed:	N.A.

3. The expenditure incurred on Research and Development: NIL

III. FOREIGN EXCHANGE EARNING & OUTGO

The Company has focused on export opportunities based on economic considerations. There have been concentrated efforts to maintain and improve exports performance and to meet the need of end users.

Foreign Exchange	Current Year	Previous Year
Earned (FOB value of exports)	Rs. 6727079509.00	Rs. 6711467946.00
Used (CIF value of Imports)	Rs. 2025744162.00	Rs. 529643820.00

By order of the Board
For GARG ACRYLICS LIMITED

Place: Ludhiana | **Rajiv Garg, Managing Director** | **Ujjwal Garg, Wholetime Director**
Dated: 13.08.2025 | **DIN: 00444558** | **DIN: 01234439**

ANNEXURE-II

Nomination & Remuneration Policy of the Company:

1. PREFACE:

In terms of the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, this policy on Nomination and Remuneration of Directors and Senior Management has been formulated by the Committee and approved by the Board of Directors in their meeting held on 30th May, 2014.

2. ROLE OF THE COMMITTEE:

a) To identify 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 Board their appointment and removal.

b) To formulate criteria for determining qualifications, positive attributes and independence of a Director.

c) To recommend to the Board remuneration policy related to remuneration of Directors (whole time Directors, Executive Directors etc), Key Managerial Personnel and other employees while ensuring the following:-
1. That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors to run the Company successfully.
2. That relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
3. That remuneration to Directors, Key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate for the working of the Company and its goals.

d) To formulate criteria for evaluation of Directors and the Board.

e) To devise a policy on Board diversity.

3. MEMBERSHIP:

a) The Committee shall consist of a minimum 3 Non-executive directors, majority of them being independent.

b) Minimum two (2) members shall constitute a quorum for the Committee meeting.

c) Membership of the Committee shall be disclosed in the Annual Report.

d) Term of the Committee shall be continued unless terminated by the Board of Directors.

4. CHAIRMAN:

a) Chairman of the Committee shall be an Independent Director.
b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

5. FREQUENCY OF MEETINGS:

The meeting of the Committee shall be held at such regular intervals as may be required.

6. COMMITTEE MEMBERS' INTERESTS:

a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

7. VOTING:

a) Decisions of the Committee shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

8. MINUTES OF COMMITTEE MEETING:

The minutes of all the proceedings of all meetings must be signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board meetings.

9. EFFECTIVE DATE:

This policy will be effective from 30th May, 2014 and may be amended subject to the approval of Board of Directors.

By order of the Board
For GARG ACRYLICS LIMITED

Place: Ludhiana	**Rajiv Garg, Managing Director**	**Ujjwal Garg, Wholetime Director**
Dated: 13.08.2025	**DIN: 00444558**	**DIN: 01234439**

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2025
(Pursuant to section 204(1) of the Companies Act, 2013 and rules made thereunder)

To,
The Members,
Garg Acrylics Limited
Delhi

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Garg Acrylics Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2025 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (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')to the extent applicable to the company:-

    a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b) The Securities and Exchange Board of India (Prohibitions of Insider Trading) Regulations, 2015
    c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ;
    d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. (Not applicable to the company during the Audit Period);
    e) 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 act and dealing with the client.
    g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (Not applicable to the company during the Audit Period);
    h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the Audit Period);
    i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015

I have also examined compliance with the applicable clauses of the following:
i. Secretarial Standards issued by The Institute of Company Secretaries of India; and

ii. The Listing Agreements entered into by the Company with the Stock Exchanges.

During the year under review, I report that:

- The Company has initiated a Rights Issue of equity shares during the financial year under review, and complied with the procedural and disclosure requirements as specified under the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, to the extent applicable till March 31, 2025.

- The actual allotment of shares under the said Rights Issue was completed in April 2025 (i.e., post end of the financial year under review) and does not form part of the events executed during FY 2024-25. However, the preparatory actions, dispatch of the Letter of Offer, filing of relevant forms, and Board/Shareholder approvals for the rights issue were undertaken during the year under review.

The Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I have checked Compliance Management System of the company to obtain reasonable assurance about the adequacy of the systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis and based on the information provided by the company, its officers and authorized representatives during the conduct of the Audit and in my opinion adequate system and processes and control mechanism exist in the company to monitor and ensure compliance with applicable laws like Labour Laws and Environmental Laws.

I further report that compliances by the company of applicable financial laws like Direct and Indirect Laws are not reviewed in this audit since the same have been subject to review by statutory financial audit and by other designated professionals.

I further report that Board of Directors of the company is duly constituted with proper balance of Executive, Non-executive and Independent directors. During the year, the tenure of Mr. Pardeep Kumar Makkar, Independent Director, concluded upon the completion of his second term. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all directors, 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.

As per the Minutes of the meetings duly recorded and signed by the Chairman the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that during the audit period, the Company has the following specific events/actions having major bearing on the company's affairs:

The Company carried out a Rights Issue of 39,85,680 equity shares at a price of ₹25 per share (including a premium of ₹15 per share), aggregating to ₹9,96,42,000. The net proceeds from the issue are proposed to be utilized towards meeting the Company's working capital requirements, general corporate purposes, and issue-related expenses

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

Rajesh Kumar Loomba
Prop.

R. K. Loomba & Associates
Company Secretaries
FCS-3359 / CP-4029
PRN-2502/2022

Date: 13.08.2025
Place: Ludhiana

Annexure 'A'

To,
The Members
Garg Acrylics Limited
Delhi.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on the secretarial records based on our audit.

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

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, I 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 management. My 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.

Rajesh Kumar Loomba
Prop.

R. K. Loomba & Associates
Company Secretaries
FCS-3359 / CP-4029
PRN-2502/2022

Date: 13/08/2025
Place: Ludhiana

Secretarial Compliance Report of

Garg Acrylics Limited

For the financial year ended 31.03.2025

Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations 2015

To
The Board of Directors
Garg Acrylics Limited
A-50/1 Wazirpur, Industrial Area, Delhi-110052

Dear Sir,

I Rajesh Kumar Loomba Proprietor of M/s R. K. Loomba & Associates, Company Secretaries in whole time practice have examined;

(a) all the documents and records made available to us and explanation provided by Garg Acrylics Limited ("the listed entity"),
(b) the filings/ submissions made by the listed entity to the Stock Exchanges,
(c) website of the listed entity,
(d) any other document/ filing, as may be relevant, which has been relied upon to make this Report.

for the financial year ended 31.03.2025 ("Review Period") in respect of compliance with the provisions of :

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the regulations, circulars, guidelines issued thereunder; and
(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the regulations, circulars, guidelines issued thereunder by the SEBI;

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

(a) Securities and Exchange Board of India (LODR) Regulations, 2015;
(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable during the Audit Period)
(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (not applicable during the Audit Period)
(g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(h) Securities and Exchange Board of India (Depository and Participants) Regulation 2018.
(i) Securities and Exchange Board of India (Registers to can issue and share transfer agents) Regulation 1993
(j) **Securities and Exchange Board of India (Delisting of Equity Shares) Regulation 2021; (not applicable during the Audit Period) and circulars/ guidelines issued thereunder;**

and based on the above examination, I/We hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	*Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)*	*Regulation / Circular No.*	*Deviations*	*Action Taken by*	*Type of Action*	*Details of Violation*	*Fine Amount*	*Observations /Remarks of the Practicing Company Secretary (PCS)*	*Management Response*	*Remarks*
	NIL	NIL	NIL	NIL		NIL	NIL	NIL	NIL	

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations/ Remarks of the Practicing Company Secretary (PCS) in the previous reports)	Observations made in the Secretarial Compliance report for the year ended ….. (The years are to be mentioned)	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Details of violation / Deviations and actions taken /penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
	NIL	NIL	NIL	NIL	NIL	NIL

I. I/we hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No	Particulars	Compliance Status (Yes/ No/NA)	Observations/ Remarks by PCS*
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes	
2.	Adoption and timely updation of the Policies: • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/ circulars/guidelines issued by SEBI.	Yes	
3.	Maintenance and disclosures on Website: • The listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/section of the website.	Yes	
4.	Disqualification of Director(s):None of the director(s) of the listed entity is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	

5.	Details related to subsidiaries of listed entities have been examined w.r.t.: (a) Identification of material subsidiary companies. (b) Disclosure requirement of material as well as other subsidiaries.	NA	The Company does not have any material subsidiary
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per policy of preservation of documents and archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the board, independent directors and the committees at the start of every financial year/ during the financial year as prescribed in SEBI Regulations.	Yes	
8.	Related Party Transactions:The listed entity has obtained prior approval of audit committee for all related party transactions; (a) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the audit committee.	Yes	
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder (or)The actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.	Yes	No actions were taken by Securities and Exchange Board of India as stock exchange during review period

12.	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	The Auditors were appointed in Annual General Meeting of the Company in accordance with the provisions of Companies Act, 2013. No Resignation was made by the Auditors
13.	Additional Non-compliances, if any: Only 98.60 % of promoters holding is in demat form. Whereas as per Reg. 31(2) of SEBI LODR Reg. 2015, the company is required to maintain 100 % shareholding of promoters and promoter group in demat form No additional non-compliances observed for any SEBI regulation/circular/guidance note etc. except as reported above.	No	Owing to an ownership dispute between two promoters involving 56,800 shares, which is currently sub judice before the Hon'ble NCLT, and the fact that 7 original promoters, collectively holding 560 equity shares, remain untraceable despite persistent efforts, the Company has been unable to initiate the demat process for these shares.

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Place: Ludhiana
Date: 27.05.2025

For R. K. Loomba & Associates
Company Secretaries

Rajesh Kumar Loomba
FCS No.: 3359
CP No . 4029
UDIN: F003359G000457263
Peer Review No. 2502/2022

ANNEXURE- V

1. **Brief outline on CSR Policy of the Company.**

The thrust areas for CSR includes promotion of education, environment protection and energy conservation, development of human capital, rural development, women empowerment, any other project/ programme pertaining to activities listed in Rules.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sanjiv Garg	Chairman/ Managing Director	2	2
2	Mr. Rajiv Garg	Member/ Managing Director	2	2
4	Mr. Avnish Dhingra	Member/ Director	2	2

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. https://www.gargltd.com/index.html**

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). NA**

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1			
2			
3			
	Total		

6. **Average net profit of the company as per section 135(5). Rs. 18231813.24**

7. **(a) Two percent of average net profit of the company as per section 135(5). Rs. 18231813.24**
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. NIL
   (c) Amount required to be set off for the financial year, if any NIL
   (d) Total CSR obligation for the financial year (7a+7b-7c). Rs. 18231813.24

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.) NIL				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
20546635.84	NIL	NA	NA	NA	NA

(b) 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	Item from the list of	Local area	Location of the project.	Project duration.	Amount allocated	Amount spent in	Amount transferred	Mode of Implementati	Mode of Implementatio

	Project.	activities in Schedule VII to the Act.	(Yes/No).				for the project (in Rs.).	the current financial Year (in Rs.).	to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	on - Direct (Yes/No).	n - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.												
2.												
3.												
	Total											

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.									
2.									
3.									
	Total								

(d) Amount spent in Administrative Overheads NIL
(e) Amount spent on Impact Assessment, if applicable NIL
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) 20546635.84
(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	18231813.24
(ii)	Amount Required to be spent as per point no. 7 above	18231813.24
(iii)	Total amount spent for the Financial Year	20546635.84
(iv)	Excess amount spent for the financial year [(ii)-(i)]	2314822.60
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(vi)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in succeeding

		section 135 (6) (in Rs.)	(in Rs.).	Name of the Fund	Amount (in Rs).	Date of transfer.	financial years. (in Rs.)

The Companies (Corporate Social Responsibility Policy), Amendment Rules, 2021 are applicable w.e.f. 22-01-2021 and not with retrospective effect. For any unspent amount of CSR which has been disclosed in the Directors Report, is sufficient compliance of section 135 as per provisions of the Act, prior to amendment of January 22, 2021 hence disclosure of preceding three years figures are not applicable.

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1								
2								
3								
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year. NIL

(Asset- wise details)

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

The required amount has been spent.

(Ramandeep Singh) (Chief Financial Officer)	Rajiv Garg (Member of CSR Committee).

Annexure VI

Disclosure in Director's Report pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

PARTICULARS OF REMUNERATION

1. 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 Directors	Ratio of Median Remuneration
Sh. Sanjiv Garg	19.57
Sh. Rajiv Garg	19.57
Sh. Ujjwal Garg	17.42

2. **The percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary, if any, in the Financial year 2024-25:-**

Name	Designation	% increase in remuneration
Sh. Sanjiv Garg	Managing Director	10%
Sh. Rajiv Garg	Managing Director	10%
Sh. Ujjwal Garg	Whole Time Director	10%
Mr. Ramandeep Singh	Chief Financial Officer	10%
Mrs Priya Rani*	Company Secretary	10%

.

3. **The percentage increase in the Median Remuneration of Employees in the Financial Year 2024-25.**

   The percentage increase in the median remuneration of employees during the year is 10%.

4. **The number of permanent employees on the rolls of Company as on 31st March, 2025:** 4813

5. **Average percentile increase made in the salaries of employees other than the Managerial Personnel In the last Financial Year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:**
   Average percentage increase made in Salaries of employees other than Managerial Personnel in the Financial Year 2024-25 was 10 %, Percentage increase in the managerial remuneration for the year has been given above in point no. 2.

6. **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

   It is confirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of the Company.

7. **Statement showing particulars of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:** Nil

By order of the Board
For GARG ACRYLICS LIMITED

Place: Ludhiana | **Rajiv Garg, Managing Director** | **Ujjwal Garg, Wholetime Director**
Dated: 13.08.2025 | **DIN: 00444558** | **DIN: 01234439**

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	Details
1.	Sl. No.	1.
2.	Name of the subsidiary	Garg International
3.	The date since when subsidiary was acquired	01.04.2010
4.	Reporting period for the subsidiary concerned, if different from the holding company's	Not different

	reporting period	
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
6.	Share capital	Rs. 8984417.00
7.	Reserves & Surplus	-----
8.	Total assets	Rs. 12639876.00
9.	Total Liabilities	Rs. 3655459.00
10.	Investments	-----
11.	Turnover	Rs. 0
12.	Profit before taxation	Rs. 852.00
13.	Provision for taxation	Rs. 266
14.	Profit after taxation	Rs. 586
15.	Proposed Dividend	-----
16.	Extent of shareholding (In percentage)	95%

1. Names of subsidiaries which are yet to commence operations-N.A
2. Names of subsidiaries which have been liquidated or sold during the year-N.A

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and joint ventures

Name of associates/Joint Ventures	
1. Latest audited Balance Sheet Date	-----
Date on which the Associate or Joint Venture was associated or Acquired	-----
3. Shares of Associate/Joint Ventures held by the company on the year end	
-No.	-----
-Amount of Investment in Associates/Joint Venture	-----
-Extend of Holding (in Pecentage)	-----
4. Description of how there is significant influence	-----
5. Reason why the associate/joint venture is not consolidated	------
6. Net worth attributable to shareholding as per latest audited Balance Sheet	-----
7. Profit/Loss for the year	-----
i Considered in Consolidation	-----
ii Not Considered in Consolidation	-----

1. Names of associates or joint ventures which are yet to commence operations- N.A
2. Names of associates or joint ventures which have been liquidated or sold during the year- Nil

For and on behalf of Board of Directors

Sanjiv Garg — Mg. Director
Rajiv Garg — Mg. Director

Place: Ludhiana
Date: 13.08.2025

Ramandeep Singh — Chief Financial Officer
Priya Rani — Company Secretary

ANNEXURE-VIII
Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

Name of the related party and nature of relationship	Nature of contracts/ arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL							

1. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Garg International-(enterprise in which director or KMP has significant interest)	Purchase of goods	1 year	At fair market value i.e. Arm length basis Rs.0.00	30.05.2024	Nil
Garg International-(enterprise in which director or KMP has significant interest)	Sale of goods	1year	At fair market value i.e. Arm length basis Rs.0.00	30.05.2024	Nil
Sambhav Garg-(Relative of Director)	Remuneration	1 year	Rs. 3942000	30.05.2024	Nil
Aakriti Garg-(Relative of Director)	Remuneration	1 year	Rs. 1502400	30.05.2024	Nil
DPG Textiles Limited (enterprise in which director or KMP has significant interest)	Sales	Six Months	Upto Rs. 10 crores	03.09.2024	Nil

By order of the Board
For GARG ACRYLICS LIMITED

Place: Ludhiana | **Rajiv Garg, Managing Director** | **Ujjwal Garg, Wholetime Director**
Dated: 13.08.2025 | **DIN: 00444558** | **DIN: 01234439**

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

As required under Schedule V (D) of the Listing Regulations, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Board of Directors and the Senior Management for the year ended 31st March, 2024

By order of the Board
For GARG ACRYLICS LIMITED

Place: Ludhiana **Rajiv Garg, Managing Director**
Dated: 13.08.2025 **DIN: 00444558**

Certification by Chief Executive Officer and Chief Financial Officer (Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

To,
The Board of Directors,
Garg Acrylics Limited.

We, Mr. Rajiv Garg, Managing Director and Mr. Ramandeep Singh, Chief Financial Officer of Garg Acrylics Limited hereby certify that:

a) We have reviewed the Standalone and consolidated financial statements and the Cash Flow Statement of the company for the financial year ended 31st March, 2025 and that to the best of our knowledge and belief:
   i. These statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with Accounting Standards, applicable laws and regulations.
b) There are, to the best of our knowledge and belief, no transaction entered into by the company during the year ended 31st March, 2025 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 listed Company pertaining to financial reporting and we have disclosed, to the Auditors and the Audit committee, wherever applicable, deficiencies in 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 to the Audit Committee, wherever applicable,
   i. Significant changes in internal control over financial reporting during the year under reference;
   ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
e) To the best of our knowledge and belief, there are no instances of significant fraud involving either the management or employees having a significant role in the Company's internal control systems with respect to financial reporting.

For Garg Acrylics Limited

Place: Ludhiana	Rajiv Garg	Ramandeep Singh
Date: 13.08.2025	(Managing Director)	(Chief Financial Officer)

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

The company believes in and practices good Corporate Governance. The company's essential character is shaped by the very values of transparency, professionalism and accountability. The company continuously endeavors to improve on these aspects on an ongoing basis.

2. BOARD OF DIRECTORS

The Board of Directors along with its committees provide leadership and guidance to Company's management and also direct, supervise and control the performance of the Company. The Company has a broad mix of Independent & Non Independent directors. The Board currently comprises of 6 directors out of which 3 are independent non executive directors and all the independent Directors have confirmed that they meet 'independence' criteria as mentioned under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Act. The composition and category of Directors as on 31st March, 2025 are as follows:-

Category	Name of Directors
Promoter/Executive Directors	Mr. Sanjiv Garg Mr. Rajiv Garg Mr. Ujjwal Garg
Independent/Non-Executive Directors	Mr. Sanjay Sahni Mr. Avnish Dhingra Mrs. Misha Nayar

Attendance of each director at the Board Meeting, last Annual General Meeting and number of other directorship and chairmanship/membership of Committee of each Director in various companies.

Name of Director	No. of Share	Attendance Particulars	No. of other Directorship and Committee membership/ Chairmanship

		Board Meeting	Last AGM	Other Directorship#	Other Committee Membership	Other Committee Chairmanship
Mr. Sanjiv Garg	374400	7	Present	3	None	None
Mr. Rajiv Garg	330400	7	Present	2	None	None
Mr. Ujjwal Garg	40800	7	Present	1	None	None
Mr. Pardeep Kumar Makkar*	None	3	Present	None	None	None
Mr. Sanjay Sahni	None	7	Present	3	3	None
Mr. Avnish Dhingra	None	7	Present	3	None	None
Mrs. Misha Nayar	None	7	Present	None	None	None

* Mr. Pardeep Kumar Makkar ceases to be director of the company w.e.f. 27th September 2024 due to completion of his term.
# None of the director hold directorship in other listed entities except Mr. Sanjay Sahni.

- During the financial year 2024-25, the Board of Directors met 7 times on the following dates 30-05-2024, 13-08-2024, 03-09-2024, 12-11-2024, 06-12-2024, 12-02-2025 & 07-03-2025.
- Mr. Sanjiv Garg, Mr. Rajiv Garg and Mr. Ujjwal Garg are related among themselves, none of the other director is related to any other Director of the company.
- None of the Non- executive directors of the company held any shares and convertible instruments.
- The familiarization programmes imparted to independent directors is available at website of company. i.e. www.gargltd.com
- The Board of Garg Acrylics Limited comprises of qualified members who bring in required skills, expertise and competence so that fruitful contribution is made by the Board and its committees and achieves highest standards of Corporate Governance.

The table below summarizes the key attributes and skills matrix of the Board of Directors as required in the context of business:

Financial: Proficiency in Financial Management, Capital Allocation, Treasury and Accountancy, Costing, Budgetary Controls.

Operations: Understanding Organizations, Business processes, Strategic Planning, Driving change, Risk Management, Economies of Scale, Innovation.
Global Business Leader: Handling diverse business scenario, Global market opportunities, Macro policies and business economics.

Governance: Protecting the interest of stakeholders, enterprise reputation, accountability and following governance practice.

Name of Director	Attributes
Mr. Sanjiv Garg	Financial, Operations, Global Business Leader, Governance
Mr. Rajiv Garg	Financial, Operations, Global Business Leader, Governance
Mr. Ujjwal Garg	Financial, Operations, Governance
Mr. Sanjay Sahni	Chartered Accountant, Financial Expert
Mr. Avnish Dhingra	Company Secretary, Legal & Secretarial Expert
Mrs. Misha Nayar	Administration

- All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring best interest of stakeholders and the Company. The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

3. COMMITTEES OF BOARD

Currently the Board has Four Committees: the Audit Committees, Nomination and Remuneration Committee, Stakeholders Relationship Committee Shareholders grievance Committee & Corporate Social Responsibility Committee.

a) AUDIT COMMITTEE

Composition

The Audit Committee comprises of three non-executive director's viz. Mr. Pardeep Kumar Makkar as Chairman, Mr. Sanjay Sahni & Mr. Avnish Dhingra as members.

The audit committee was reconstituted in the committee meeting held on 03-09-2024 due to completion of term of Mr. Pardeep Kumar Makkar. The reconstituted committee consists of following:

Mr. Avnish Dhingra	Chairman
Mr. Sanjay Sahni	Member
Mrs. Misha Nayar	Member

Terms & Reference

The broad terms of reference of the Audit committee includes to discuss the reports of Statutory Auditors, Internal Auditors as well as Cost Auditors of the company. The appointment of Statutory and Cost Auditors are recommended by the Audit Committee. Audit Committee reviews the Independence of auditor, performance and effectiveness of audit process. All the financial statements of the company are first reviewed by the Audit Committee before presentation to the Board of Directors. Audit Committee also reviews the company's internal financial control and risk management policies, Scrutiny of Inter-corporate loans and investments, valuation of undertakings and assets of the company whenever required, monitoring the end use of funds raised through public offers and other related matters, management discussion and analysis of financial condition, results of operations and statement of significant related party transactions at periodic basis.

Meeting & Attendance

The Audit Committee met Six times during the year on 30-05-2024, 13-08-2024, 03-09-2024, 12-11-2024, 06-12-2024 & 12-02-2025 and all the members of the Audit Committee have attended all the meetings.

b) NOMINATION AND REMUNERATION COMMITTEE

Composition

The remuneration committee comprises of three non-executive director's viz. Mr.Pardeep Kumar Makkar as Chairman, Mr. Sanjay Sahni & Mr. Avnish Dhingra as members.
The remuneration committee was reconstituted in the committee meeting held on 03-09-2024 due to completion of term of Mr. Pardeep Kumar Makkar. The reconstituted committee consists of following:

Mr. Avnish Dhingra	Chairman
Mr. Sanjay Sahni	Member
Mrs. Misha Nayar	Member

Terms & Reference
The broad terms of reference of the Remuneration Committee include recommendation to the Board on salary/perquisites, commission and retirement benefits and finalization of the perquisite package payable to the company's Whole-time/ Executive Directors & KMP. The remuneration policy of the company is directed towards rewarding performance based on review of achievement on periodic basis.

Meeting & Attendance
The Remuneration Committee met Six times during the year on 30-05-2024, 13-08-2024, 03-09-2024, 12-11-2024, 06-12-2024 & 12-02-2025 and all the members of the Committee have attended the meeting.

Performance Evaluation
Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a system has been put in place to carry out performance evaluation of the Board, its Committees and individual directors. An appraisal format has been devised covering various aspects of the Board's functioning such as adequacy of composition of the board and its Committees, board process, culture and accountability etc. Similarly, a separate format is also formulated for carrying out evaluation of the performance of individual Directors including the Chairman of the Board, which inter-alia include parameters such as level of engagement and contribution, understanding of industry and global trends, and independence of judgment etc.

Remuneration Of Directors:

- **Remuneration Policy**
  The Nomination and Remuneration Policy provides for appropriate composition of Executive, Non-Executive Independent Directors on the Board of Directors of the Company along with criteria for appointment, remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of your Company.

  The Company does not have any direct pecuniary relationships or transactions with any of its non executive directors.

- **Detail of Remuneration Paid:**
  The Detail of Remuneration paid to the Directors during the financial year is as given below:-

  (i) Executive Director

Sr	Name	Designation	Salary (In Rs)	Monetary Value of Non-Cash Perks	Total (In Rs)

				(In Rs)	
1.	Mr. Sanjiv Garg	MD	5940000/-	59524/-	**5999524/-**
2.	Mr. Rajiv Garg	MD	5940000/-	59524/-	**5999524/-**
3.	Mr. Ujjwal Garg	WTD	5280000/-	59524/-	**5339524/-**

(ii) Non Executive Directors

Mr. Pardeep Kumar Makkar Chartered Accountant has been paid professional fee of Rs.1560000. Sitting fees of Rs. 60000 each was paid to Mr. Sanjay Sahni and Mr. Avnish Dhingra.

- **Details of Fixed Component and Performance Linked Incentives, along with the Performance Criteria**

  Details of fixed component and linked Incentives, in the form of Monetary Value of Non Cash Perks are depicted above. Performance criteria of all the Directors of the Board are as per the Nomination and Remuneration Policy of the Company.

- **Service Contracts, Notice Period and Severance Fees**
  The employment of Managing Director shall terminate automatically in the event of his ceasing to be a Director of the Company in the General Meeting and/or in the event of his resignation as a Director of the Company and subsequent acceptance of the resignation by the Board and no severance fee is payable to the Managing Director. Notice period shall be as per the appointment letter issued by the Company at the time of joining.

- **Review of Performance and Compensation to Senior Management:**
  The Managing Director will approve the Remuneration of Senior Management which will be subject to review by Nomination and Remuneration Committee. The Nomination and Remuneration Committee reviews the performance of the senior management of the Company. The Committee ensures that the remuneration to the Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The full policy is available at website of company. i.e. www.gargltd.com

c) **STAKEHOLDER RELATIONSHIP COMMITTEE**

To look after the share transfer work and to look into the redressal of complaints like transfer of shares, non-receipt of annual report and non-receipt of dividend etc., the company has set up a Stakeholder Relationship Committee (Shareholders/ Investor Grievance Committee).

Composition

The committee consists of three members viz. Sh. Pardeep Kumar Makkar, Director,as the Chairman and Sh Sanjay Sahni and Sh. Rajiv Garg Directors as members.

The stakeholders relationship committee was reconstituted in the committee meeting held on 03-09-2024 due to completion of term of Mr. Pardeep Kumar Makkar. The reconstituted committee consists of following:

Mr. Avnish Dhingra	Chairman
Mr. Sanjay Sahni	Member
Mrs. Misha Nayar	Member

Compliance Officer
The Board has designated Ms Priya Rani, Company Secretary as Compliance Officer.

Complaints Detail:
The total numbers of letters/complaints received and replied to the satisfaction of shareholders during the year ended 31st March 2025 were Nil. No requests for transfer/ dematerialization were pending for approval as on 31st March, 2025.

Meeting & Attendance
The Stakeholder Relationship Committee met two time during the year on 30-09-2024 & 06-12-2024 and all the members of the Stakeholder Relationship Committee have attended the meeting.

d) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Pursuant to Section 135 of Company Act, 2013, the Company constituted "Corporate Social Responsibility Committee". The Committee comprises of two executive directors & one independent director as follow:-

Sr.	Name	Nature of Directorship	Status In Committee
1.	Mr. Sanjiv Garg	Executive Director	Chairman
2.	Mr. Rajiv Garg	Executive Director	Member
3.	Mr. Avnish Dhingra	Independent Director	Member

The purpose of the committee is to formulate and monitor the CSR policy of the Company.

Meeting & Attendance
The Corporate Social responsibility Committee met two times during the year on 03-09-2024 and 12-02-2025 and all the members of the Corporate Social responsibility Committee have attended the meeting.

e) INDEPENDENT DIRECTOR'S MEETING

During the year, the Independent Directors met on 12th February, 2025 to

- Review the performance of Non-Independent Directors and the Board as a whole.
- Review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Evaluate the quality, quantity and timeliness of flow of information between the Company Management and the board that is necessary for the Board to effectively and reasonably perform their duties.

4. GENERAL BODY MEETINGS

The detail of General Body Meeting held during last three financial years are given hereunder:-

Type of Meeting	Date	Time	Location of Meeting	Special Resolution Passed
40th AGM	27.09.2024	3.00 P.M	At the Registered Office A-50/1, Wazirpur Industrial Area, Delhi-52	No
39th AGM	29.09.2023	3.00 P.M	At the Registered Office A-50/1, Wazirpur Industrial Area, Delhi-52	No
38th AGM	29.09.2022	3.00 P.M	At the Registered Office A-50/1, Wazirpur Industrial Area, Delhi-52	No

The company has not passed any resolution through Postal Ballot during the financial year 2024-25.

5. **MEANS OF COMMUNICATION**

The quarterly, half yearly and yearly Financial Results of the Company are sent to the Stock Exchange immediately after they are approved by the Board. The results are normally published in – English News papers (Financial Express) & Hindi News papers (Uttam Hindu). The results are simultaneously posted on the Company's website at www.gargltd.com and also uploaded on the website of the MSEI Ltd (www.msei.in). During the year, Company has not issued any press release, for the Audited Results for the year ended 31.03.2025.

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website i.e. www.gargltd.com gives information on various announcements made by the Company, status of Shareholding Pattern, Annual Report, Quarterly/Half yearly/ Nine months and Annual financial results along with the applicable policies and other compliances.

6. **GENERAL SHAREHOLDER INFORMATION**

- **41st Annual General Meeting:**
  Date: 29th September 2025
  Time: 03.00 P.M.
  Venue: Registered Office A-50/1, Wazirpur Industrial Area, Delhi-52

- **Financial Year:** 1st April 2024 to 31st March 2025

- **Dividend Payment Due**: Within 30 days after declaration.

- **Listing:** The Securities of the company are listed on the following Stock Exchange:-
  Metropolitan Stock Exchange of India Limited
  Vibgyor Towers, 4th floor, Plot No C 62, G - Block,
  Opp. Trident Hotel, Bandra Kurla Complex,
  Bandra(E), Mumbai, India
  Listing Fees as applicable have been paid.
- **ISIN Code for the Company's Equity Share:** INE244E01018 (having face value of Rs.10/-)

- **Stock Market price data & Performance of share price for the year 2024-25**: The company's shares have not been traded during the financial year 2024-25, as such information about stock price data is nil.

- **Suspension from Trading**: The Securities of the Company has not been suspended from trading during the financial year 2024-25.

- **Registrar & Transfer Agent**: The work related to share transfer registry in terms of both physical and electronic mode is being dealt at Single Point with M/s Skyline Services Private Ltd. New Delhi. The address is given below:-

  M/S Skyline Financial Services Pvt. Ltd.
  D-153A, First Floor, Okhla Industrial Area,
  Phase-1, New Delhi-110020.
  Tel: 011- 64732681 - 88
  Fax: 011-26812682

- **Share Transfer System:**71.21 % of the equity shares of the Company are in demat form. Transfers of shares are done through the depositories systems. As mandated by SEBI, securities of the Company can be transferred / traded only in dematerialized form. Shareholders holding shares in physical form are advised to avail the facility of dematerialization.

- **Distribution of shareholding as on 31st March, 2025**

Range No. of Shares	Shareholders Numbers	Shareholders % of Total	Shares Numbers	Shares % of Total
Up To 500	8	3.21	960.00	0.01
501 To 1000	91	36.55	72800.00	1.10
1001 To 2000	0	0.00	0.00	0.00
2001 To 3000	2	0.80	4800.00	0.07
3001 To 4000	19	7.63	76000.00	1.14
4001 To 5000	30	12.05	144000.00	2.17
5001 To 10000	76	30.52	478800.00	7.21
10000 and Above	23	9.24	5865440.00	88.30
Total	**249**	**100.00**	**6642800**	**100.00**

- **Dematerialization of Shares:** The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). As on 31.03.2025, 4730240 Equity Shares were dematerialized with NSDL & CDSL.

- **Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity:** The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on 31st March 2025, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

- **Commodity price risk or foreign exchange risk and hedging activities:** The commodity price risk of raw cotton is managed by spreading its purchase across whole of procurement season and the company also manages its foreign exchange risk by appropriate hedging its transactions.

- **Plant Locations:**:
  : Kanganwal Road, V.P.O. Jugiana, G.T. Road, Ludhiana, Punjab
  : Village Paddi, Sahnewal Delhon Road, G.T.Road, Ludhiana, Punjab
  : Village Jeaun Singh Walla, Talwandi Saboo, District Bathinda, Punjab

- **Address for Correspondence:-**

Regd. Office	:	A-50/1, Wazirpur Industrial Area, Delhi-52.
CIN	:	L74999DL1983PLC017001
Corporate Office	:	Kanganwal Road, V.P.O. Jugiana, G.T. Road, Ludhiana-141120
Telephone	:	0161-4692500
Email	:	gargacrylics@yahoo.com

- **Credit Rating:-**
  Following are the details of Credit Rating:-

Facilities	Amount (Rs. Crore)	Tenure	Rating
Fund Based Cash Credit Term Loans	 335.00 199.52	Long Term	CRISIL BBB/ Stable
WHR Facilities	50.00	Short Term	CRISIL A3+
Non Fund Based ILC/FLC/BG	 15.48	Short Term	CRISIL A3+

7. OTHER DISCLOSURES:

a) **Materially Significant Related Party Transactions**
The Board of Directors has approved a Policy on "Related Party Transactions" and also on dealing with Related Party Transactions. All transactions entered into with Related Party during the financial year were in the ordinary course of business and on an arms length basis. Related Party transactions as required by the Indian Accounting Standard Ind AS-24 on "Related Party Disclosures" disclosed in Notes to the Annual Accounts. Members may refer to the notes to accounts for details of Related Party Transactions. However these are not having potential conflict with the interest of the Company at large.

The Policy on Related Party Transactions and on dealing with Related Party Transactions is available on the website of the Company at www.gargltd.com.

b) **Material Disclosures**

There was no instance of non-compliance by the Company on any matter related to Capital market.

c) Whistle Blower Policy/ Vigil Mechanism

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Sh. Rajiv Garg, Director of the company appointed as Vigilance Officer to hear the grievances of theemployees and take steps to resolve the issues amicably and report the same to the Chairman of the Company. During the year under review, no employee was denied access to the Committee. The details of establishment of Vigil Mechanism/Whistler Blower Policy are posted on the website of the Company at www.gargltd.com.

d) Disclosure of Commodity price risk or foreign exchange risk and hedging activities

The raw cotton is the basic raw material for the cotton yarn. The raw cotton price fluctuates in the market on the basis of its production, export and demand. To minimize the price risk, the company spread its purchaseacross the whole procurement season & also store cotton equivalent to 5/6 month stock to carry on interrupted production.

The company operates internationally and business is transacted in several currencies. The export sales of company comprise around 40% of the total sales of the company, Further the company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses a combination of derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

e) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the year under review, no funds has been raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

f) Certificate pursuant to the regulation 34 and schedule v (c) (10) (i) of SEBI listing regulations read with section 164 of companies act, 2013 regarding qualification/disqualification to act as director has been attached as Enclosure-1.

g) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof

The Board accepted the recommendations of its Committees, wherever made, during the financial year 2024-25.

h) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

The Company has appointed M/s. Kamboj Malhotra & Associates, Chartered Accountants (Firm Registration No. 015848N) as the Statutory Auditor. The particulars of total payment to Statutory Auditor by the Company during the financial year 2024-25 are as below:-

Particulars	Amount
Statutory Audit Fees	Rs.800000/-

i) Disclosure in Relation to the sexual harassment of women at workplace (prevention, prohibition and redressal) act, 2013

During the year under review no such complaint or grievance occurred under the Act named The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

8. COMPLIANCE ON CORPORATE GOVERNANCE

All the mandatory requirements have been complied with as stated in this report on Corporate Governance. There is no non- compliance with any requirement of corporate governance report of sub-paras (2) to (10) of the Corporate Governance report as given in Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. DETAILS OF COMPLIANCE WITH DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 READ WITH SCHEDULE II PART E OF THE LISTING REGULATIONS

The status of adoption of the Discretionary Requirements as specified in Sub –Regulation 1 of Regulation 27 of the SEBI Listing Regulations, 2015 are as follow :-

The Board: The Chairman of the Company is Executive.

Shareholder Rights: The quarterly and half-yearly financial performance are published in newspapers, and also posted on the Company's website, hence the same are not being sent to the shareholders.

Modified opinion(s) in audit report: The Company's financial statement for the year ended on 31.03.2025 does not contain any modified opinion.

Reporting of Internal Auditor: The Internal Auditor of the Company has direct access to the Audit Committee.

10. COMPLIANCE WITH THE MANDATORY CORPORATE GOVERNANCE REQUIREMENTS AS PRESCRIBED UNDER THE LISTING REGULATIONS, 2015

The Board of Directors periodically reviews the compliance of all applicable laws.The Company is in full compliance with all the mandatory requirements of Corporate Governance as specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, 2015.

11. CEO/CFO CERTIFICATION

The members of the board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended March 31, 2025. The annual report of the Company contains a declaration by the Managing Director in terms of SEBI Listing Regulations on the compliance declarations of Directors and Senior Management.

A prescribed certificate as stipulated in Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 duly signed by the Managing Director and Chief Financial Officer, forms part of the Annual Report

12. AUDITOR CERTIFICATE ON COMPLIANCE ON CORPORATE GOVERNANCE

The Auditor Certificate in Compliance on conditions of Corporate Governance requirements as per the Listing Regulations forms part of this Annual Report.

13. EQUITY SHARES IN SUSPENSE ACCOUNT

There are no shares in Suspense account.

By order of the Board
For GARG ACRYLICS LIMITED

Place:Ludhiana — **Rajiv Garg, Managing Director**
Dated: 13.08.2025 — **DIN: 00444558**

Certificate on Compliance of Corporate Governance under various regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

To
The Members of
Garg Acrylics Limited

I have examined the compliance of conditions of Corporate Governance by Garg Acrylics Limited for the year ended 31^{st} March, 2025, as per regulations 17-27, 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 ('Listing Regulations').

I state that the compliance of conditions of Corporate Governance is the responsibility of the management, and my examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In my opinion, and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of Listing Regulations.

I 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.

For KAMBOJ MALHOTRA & ASSOCIATES,
CHARTERED ACCOUNTANTS
(Firm Regn. No. 015848N)

PLACE: Ludhiana
DATED: 13.08.2025

(CA AMARJIT KAMBOJ)
PARTNER
M. No. 082152
UDIN : 25082152BMLXYG4040

Enclosure-1

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 of
Garg Acrylics Limited
A-50/1 Wazirpur Industrial Area,
Delhi 110052

I, Rajesh Kumar Loomba, Prop. M/S R.K. Loomba & Associates, Company Secretaries, have examined the relevant registers, records, forms, returns and disclosures received from the directors of Garg Acrylics Limited having CIN L74999DL1983PLC017001 and having registered office at A-50/1 Wazirpur Industrial Area, Delhi-110052, produced before me by the company for the purpose of issuing this Certificate, in pursuance of Regulation 34(3) read with Sub-clause 10 (i) of Para-C of Schedule V the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of the 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, **none of the directors on the Board of the Company as stated below for the financial year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.**

Sr. No.	Name of Director	DIN No.	Date of Appointment	Date of Cessation
1	Mr. Sanjiv Garg	00217156	01.08.2010	--
2	Mr. Rajiv Garg	00444558	28.09.1994	--
3	Mr. Ujjwal Garg	01234439	01.04.2006	--
4	Mr. Sanjay Sahni	08369951	22.03.2021	--
5	Mr. Avnish Dhingra	09102065	22.03.2021	--
6	Ms. Misha Nayar	09110365	22.03.2021	--

Ensuring the eligibility for the appointment / continuity of every director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these matters based on my 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.

Rajesh Kumar Loomba
R.K. Loomba & Associates

Date:13.08.2025
Place: Ludhiana

Company Secretaries
FCS-3359 / CP-4029
PRN-2502/2022

KAMBOJ MALHOTRA & ASSOCIATES
CHARTERED ACCOUNTANTS

B - XX- 2815, IInd Floor, Gurudev Nagar, Pakhowal Road, Ludhiana (PB) - 141001
Mobile No. 98550-37608, 98140-22781
E-Mail: mmasso123@gmail.com

INDEPENDENT AUDITORS' REPORT

To the Members of
GARG ACRYLICS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **GARG ACRYLICS LIMITED** ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2025, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of changes in equity and the Standalone statement of Cash Flows for the year ended on that date, and notes to the Standalone Financial Statements. Including a summary of the material accounting policies and other explanatory information prepared in accordance with the requirements of the Companies Act, 2013 (herein after referred to as "standalone financial statements").

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

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matter	Auditor's Response
Going concern assumption, financing and covenants	
The availability of sufficient funding and the testing of whether the company will be able to continue meeting its obligations under the financing covenants are important for the going concern assumption and, as such, are significant aspects of our audit. This test or assessment is largely based on the expectations of and the estimates made by management. The expectations and estimates can be influenced by subjective elements such as estimated future cash flows, forecasted results and margins from operations. Estimates are based on assumptions, including expectations regarding future developments in the economy and the market.	We have used our own internal experts in evaluating the assumptions and forecasts made by management. We have specifically devoted attention to the assumptions made with respect to the future value added, the results and the cash flows in order to assess the company's ability to continue meeting its payment obligations and its obligations under the financing covenants in the year ahead. For notes on the Financial Risk Management & Capital Management see note no. 45 & 46 of financial statements respectively.

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

The Company's Board of Directors/ Management are 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 auditors' report thereon) , which is expected to be made available to us after that date.

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

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

When we read the other information identified above, 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..

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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) prescribed under section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility includes maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

i) Identify and assess the risks of material misstatement of the standalone 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.

ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) 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 standalone 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.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our audit;

b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as it appears from our examination of those books, except for not complying with the requirement of audit trail to the extent stated in i)(vi) below

c) The Standalone Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account;

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standard) Rules 2015, as amended.

e) On the basis of written representations received from the directors as on 31st March, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in "Annexure-B".

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i) 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 Standalone Financial Statements. Refer Note 36 to the Standalone Financial Statements.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(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, no funds (which are material either individually or in 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the above representations under sub-clause (a) and (b) given by the management contain any material mis-statement.

(v) No dividend was declared or paid during the year.

(vi) Based on our examination which included test check, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software except that the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes in the excel sheets used for maintaining payroll register, property plant & equipment register, cost records, stock register & consolidation process.

Further, the audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with and has been preserved as per the statutory requirements for the record rention.

For KAMBOJ MALHOTRA & ASSOCIATES,
CHARTERED ACCOUNTANTS
(Firm Regn. No. 015848N)

CA AMARJIT KAMBOJ
PARTNER
Membership No. 082152
UDIN : 25082152BMLXXU6786

Place: Ludhiana
Dated: 30-05-2025

Annexure-A to Auditors' Report

Garg Acrylics Limited- Financial Year ended 31-03-2025

Referred to in paragraph 1 under the heading of "Report on other legal and Regulatory requirements" of our report of even date.

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

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

(b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.

(c) According to the information & explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable property included in property, plant and equipment are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year,

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) The inventories have been physically verified by the management in a phased periodical manner. In our opinion the coverage and the procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its business. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.

The company have been sanctioned working capital limits in excess of Rupees five crore in aggregate from banks on the basis of security of current assets, The quarterly returns or statements filed by the company with such banks are in agreement with the books of accounts of the company except as follows:

(Rs. in Lacs)

Quarter ended		Value as per books of account	Value as per quarterly statement	Discrepancy	
30, June 2024	Stock	29534.4	28812.62	-721.78	*
	Book Debt	19090.89	19009.4	-81.49	**
	Creditors	4310.44	3626.97	-683.47	**
30, September 2024	Stock	28485.85	27100.11	-1385.74	*
	Book Debt	18777.18	19816.29	1039.11	**
	Creditors	4502.99	4314.91	-188.08	**
31, December 2024	Stock	34404.18	32567.19	-1836.99	*
	Book Debt	20080.70	20910.68	829.98	**
	Creditors	8660.39	7751.43	-908.96	**
31, Mar 2025	Stock	36968.09	37056.48	88.39	*
	Book Debt	16974.13	18251.85	1277.72	**
	Creditors	6670.72	9172.13	2501.41	**

* Monthly Drawing power/stock statement are submitted to bank by 7th of next month. The stocks are valued on estimated basis. The value of stock as per books of accounts are calculated after submission of monthly G.S.T. Returns i.e. by 15th of next month, hence the differences.

** Monthly Drawing power/Book debts statement are submitted to bank by 7th of next month. The bank statements are reconciled with books afterwards i.e. by 15th of next month taking into account Cheque Returned /payment returned /received, hence the difference.

(iii) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made are not prejudicial to the interest of the Company. Further the Company has not 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. Hence, the other requirements under paragraph 3(iii) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the company has not provided loans or guarantees and security in respect of which provision of section 185 of the Companies Act are applicable. In respect of investments, the company has complied with provisions of section 186 of the Act.

(v) The company has not accepted any deposits or amounts which are deemed to be deposits under sections 73 to 76 of Companies Act, accordingly the requirement for reporting under clause 3 (v) of the order is not applicable.

(vi) The maintenance of cost records has been specified by the central Government under section 148(1) of the Companies Act, 2013 for manufacturing of textiles. We have broadly reviewed the books of accounts maintained by the company pursuant to the companies (cost records and Audit) Rules, 2014 as amended and are of opinion that Prima Facie, the prescribed cost records have been made and maintained by the company. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) The Company is regular in depositing with the appropriate authorities undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, customs duty, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at 31.03.2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no statutory dues of Goods and Service Tax, provident fund, employees' state insurance, income-tax, customs duty, cess and other statutory dues which have not been deposited by the company.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessment under the Income Tax Act 1961 (43 of 1961) during the year.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of Loans or other borrowings or in payment of interest thereon to any lender during the year.

(b) The company has not been declared willful defaulter by any bank or financial institution or other lenders.

(c) In our opinion and according to the information and explanation given to us by the management, the term loans were applied for the purposes for which the Loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence reporting under clause (x) (a) of the Order is not applicable.

(b) During the year the company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under clause (x) (b) of the Order is not applicable.

(xi) (a) To the best of our knowledge no fraud by the Company and no material fraud on the company has been noticed or reported during the year.

(b) During the year no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

(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 xii of the order is not applicable

(xiii) In our opinion, the transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Financial Statements, as required by the applicable accounting standards

(xiv) (a) In our opinion the company has an internal audit system commensurate with the size and nature of its business;

(b) We have considered the Internal Audit Report issued to the company during the year and covering the period upto March 2025.

(xv) In our opinion the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence the provisions of section 192 of the Companies Act 2013 are not applicable to the company.

(xvi) (a) In our opinion the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

(b) The company has not conducted any Non- Banking Financial or Housing Finance Activities.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly clause (xvi)(c) of the order is not applicable.

(d) There is no core investment company as a part of the group, accordingly clause (xvi)(d) of the order is not applicable.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditor of the company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in schedule vii to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the Act. Accordingly the reporting under clause xx of the order is not applicable for the year.

For KAMBOJ MALHOTRA & ASSOCIATES.
CHARTERED ACCOUNTANTS
(Firm Regn. No. 015848N)

CA AMARJIT KAMBOJ
PARTNER
Membership No. 082152
UDIN : 25082152BMLXXU6786

Place: Ludhiana
Dated: 30-05-2025

Annexure-B to Auditors' Report

Garg Acrylics Limited- Financial Year ended 31-03-2025

Referred to in paragraph 2 (g) under the heading of "Report on other legal and Regulatory requirements" of our report of even date.

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 GARG ACRYLICS LIMITED ("the Company"), as of 31st March, 2025 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the guidance note on audit of internal financial control over financial reporting issued by the Institute of Chartered Accountant of India (ICAI). These responsibilities includes the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance Note on Audit of internal financial controls over financial reporting ("the Guidance Note") and standards on Auditing, issued by ICAI and deemed to be prescribed under Section143(10) of the Companies Act, 2013 ("the Act") to the extent applicable to an audit of Internal financial controls, both applicable to an audit of internal financial controls and both issued by Institute of Chartered Accountants of India. Those Standards and 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 whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of 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 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 Company's internal financial controls system over financial reporting .

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial controls 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 controls over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company

2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquistion, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of 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 to be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to risk that the internal financial controls 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, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2025, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the guidance note on Audit of internal financial control over financial reporting issued by the Institute of Chartered Accountant of India (ICAI).

For KAMBOJ MALHOTRA & ASSOCIATES,
CHARTERED ACCOUNTANTS
(Firm Regn. No. 015848N)

CA AMARJIT KAMBOJ
PARTNER
Membership No. 082152
UDIN : 25082152BMLXXU6786

Place: Ludhiana
Dated: 30-05-2025

GARG ACRYLICS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2025

(₹ in lakh)

Particulars	Note No.	As at 31st March 2025	As at 31st March 2024
Assets			
1. Non-current assets			
(a) Property, Plant and Equipment	3	38962.35	40503.25
(b) Capital work-in-progress	4	0.00	233.69
(c) Intangible Assets	5	3.06	4.36
(d) Financial Assets			
- Investments	6	244.14	170.14
- Other financial assets	7	975.35	51.96
(e) Other Non Current assets	8	466.54	697.65
Total Non-current assets		40651.44	41661.05
2. Current assets			
(a) Inventories	9	36968.09	40100.87
(b) Financial Assets			
- Investments	10	89.54	89.54
- Trade receivables	11	16974.13	19769.64
- Cash and cash equivalents	12	136.84	90.69
- Bank Balance other than above	13	211.16	559.29
- Other financial assets	14	42.56	433.07
(c) Other current assets	15	10616.74	7336.68
Total Current assets		65039.06	68379.78
Total Assets		105690.50	110040.83
Equity and Liabilities			
Equity			
(a) Equity Share capital	16	664.28	664.28
(b) Other Equity	17	47549.18	45226.66
Total Equity		48213.46	45890.94
Liabilities			
1. Non-current liabilities			
(a) Financial Liabilities			
- Borrowings	18	10098.27	12498.82
(b) Provisions	19	378.01	441.06
(c) Deferred tax liabilities (Assets) (Net)	20	109.07	402.65
Total Non-current liabilities		10585.35	13342.53
2. Current liabilities			
(a) Financial Liabilities			
- Borrowings	21	38625.81	40757.68
- Trade payables			
(a) Total outstanding dues of Micro and Small Enterprises	22(a)	125.16	1128.36
(b) Total outstanding dues of creditors other than Micro (b) and Small Enterprises	22(b)	6545.56	7570.39
- Other financial liabilities	23	141.68	110.85
(b) Other current liabilities	24	1283.47	1048.80
(c) Provisions	25	170.02	191.28
Total Current liabilities		46891.70	50807.36
Total Equity and Liabilities		105690.50	110040.83
The accompanying notes are integral part of these financial statements	1 to 55		

Subject to our separate Report of even date

For and on behalf of the Board of Directors

FOR KAMBOJ MALHOTRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 015848N

Sanjiv Garg
Mg.Director
(DIN No. 00217156)

Rajiv Garg
Mg.Director
(DIN No.00444558)

C.A. AMARJIT KAMBOJ
PARTNER
Membership No. 082152

Place : Ludhiana
Dated : 30-05-2025

Ramandeep Singh
Chief Financial Office

Priya Rani
Company Secretary

GARG ACRYLICS LIMITED

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

(₹ in lakh except EPS)

	Particulars	Note No.	For the year ended 31st March 2025	For the year ended 31st March 2024
I.	Revenue from operations	26	175369.82	160514.11
II.	Other income	27	225.48	227.20
III.	Total Income (I+II)		175595.30	160741.31
IV.	Expenses :			
	Cost of materials consumed	28	123570.73	113388.99
	Purchases of stock-in-trade	29	341.94	490.34
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(1176.13)	2921.22
	Employee benefits expense	31	11731.72	10501.78
	Finance costs	32	5731.08	4784.11
	Depreciation and amortization expense	3,5	3670.63	2980.78
	Other expenses	33	29959.90	28122.46
	Total Expenses		173829.87	163189.69
V.	Profit(Loss) before exceptional items and tax (III-IV)		1765.43	(2448.39)
VI.	Exceptional Items	34	13.72	56.90
VII.	Profit(Loss) after exceptional items and before tax (V+VI)		1779.15	(2391.49)
VIII.	Tax expense:	42		
	(1) Current tax		0.00	0.00
	(2) Deferred tax Liability(Asset)		(354.95)	309.44
	(3) Prior Year Tax Provisions		(5.92)	(8.01)
IX.	Profit(Loss) for the year (VII-VIII)		2140.02	(2692.92)
X.	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss	44(f)		
	- Remeasurements of the defined benefit plans		243.87	175.00
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(61.38)	(44.04)
	B (i) Items that will be reclassified to profit or loss		0.00	0.00
	(ii) Income tax relating to items that will be reclassified to profit or loss		0.00	0.00
XI	Total Comprehensive Income for the year (IX+X)		2322.51	(2561.97)
	Earnings per equity share	39		
	Basics - Par value of Rs.10 per share		32.22	(40.54)
	Diluted - Par value of Rs.10 per share		32.22	(40.54)
	The accompanying notes are integral part of these financial statements	1 to 55		

Subject to our separate Report of even date

For and on behalf of the Board of Directors

FOR KAMBOJ MALHOTRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 015848N

Sanjiv Garg
Mg.Director
(DIN No. 00217156)

Rajiv Garg
Mg.Director
(DIN No.00444558)

C.A. AMARJIT KAMBOJ
PARTNER
Membership No. 082152

Place : Ludhiana
Dated : 30-05-2025

Ramandeep Singh
Chief Financial Office

Priya Rani
Company Secretary

GARG ACRYLICS LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in lakh)

	For the year ended 31st March 2025	For the year ended 31st March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	**1779.15**	-2391.49
Adjustments for :		
Depreciation and amortisation	**3670.63**	2980.78
Interest expense	**5361.11**	4485.77
Fair Valuation Gain(-)Loss(+) on Investment	**-4.00**	-23.39
Deferrred Revenue on Capital Subsidy	**-1.78**	-2.11
Interest income	**-215.16**	-201.52
Profit(-)/Loss(+) on sale of Assets(Net)	**-13.72**	-56.90
Gratuity Provision	**-84.32**	1.52
Gratuity-Other Comprehensive income	**243.87**	175.00
Operating Profit before working capital changes	**10735.78**	4967.67
Adjustments for Changes in Working capital:		
Increase(-)/Decrease(+) in Trade and other Receivables	**-786.32**	-1556.74
Increase(-)/Decrease(+) in Inventories	**3132.79**	-3038.86
Increase(+)/(Decrease)(-) in Trade Payables and other Liabilities	**-1760.76**	4220.40
Cash generated from Operations	**11321.49**	4592.46
Net income tax paid	**5.92**	8.01
Net Cash flow from(+)/used in(-) Operating Activities	**11327.41**	4600.47
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	**-1898.05**	-13500.11
Proceeds from sale of Fixed Assets	**17.03**	87.00
Increase(-)/Decrease(+) in Investments	**-70.00**	-75.01
Interest income	**215.16**	201.52
Net Cash flow from(+)/used in(-) Investing Activities	**-1735.86**	-13286.60
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds(+)/Repayment(-) from Long Term Borrowings (Net)	**-2400.55**	6983.56
Proceeds(+)/Repayment(-) from Short Term Borrowings (Net)	**-2131.87**	6337.60
Interest Paid	**-5361.11**	-4475.93
Net Cash flow from(+)/used in(-) Financing Activities	**-9893.53**	8845.22
Net Increase in cash and cash equivalents	**-301.99**	159.09
Cash and cash equivalents at the beginning of the year	**649.98**	490.88
Cash and cash equivalents at the end of the year	**348.00**	649.98
Cash and Cash Equivalent include:-		
Cash In hand	**132.60**	88.88
In Current Accounts	**4.24**	1.81
In Deposits Accounts	**211.16**	559.29
Total	**348.00**	649.98

The accompanying notes are integral part of these financial statements **1 to 55**

FOR KAMBOJ MALHOTRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 015848N

C.A. AMARJIT KAMBOJ
PARTNER
Membership No. 082152

Sanjiv Garg
Mg.Director
(DIN No. 00217156)

Rajiv Garg
Mg.Director
(DIN No.00444558

Place : Ludhiana
Dated : 30-05-2025

Ramandeep Singh
Chief Financial Officer

Priya Rani
Company Secretary

GARG ACRYLICS LIMITED

Statement of Changes in Equity

(₹ in lakh exept numbers)

Particulars	As at 31st March 2025 Number	As at 31st March 2025 Amount	As at 31st March 2024 Number	As at 31st March 2024 Amount
Equity Share Capital				
Balance at the beginning of reporting period	**6642800**	**664.28**	6642800	664.28
Changes in Equity Share Capital due to prior period errors	**0**	**0.00**	0	0.00
Restated Balance at the beginning of the current reporting period	**6642800**	**664.28**	6642800	664.28
Changes in equity share capital during reporting period	**0**	**0.00**	0	0.00
Balance at the end of reporting period	**6642800**	**664.28**	6642800	664.28

Other Equity

Particulars	Reserves & Surplus					
	Securities Premium Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	items of other comprehensive income	Total
Balance as at 01 April 2024	7636.57	7575.12	27450.91	2000.00	564.05	45226.65
Changes in Accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00	0.00
Restated balances at the beginning of the current year	7636.57	7575.12	27450.91	2000.00	564.05	45226.65
Total Comprehensive income for the year	0.00	0.00	2140.04	0.00	182.49	2322.53
Transfer to General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March 2025	**7636.57**	**7575.12**	**29590.95**	**2000.00**	**746.54**	**47549.18**
Balance as at 01 April 2023	7636.57	7575.12	30143.83	2000.00	433.10	47788.61
Changes in Accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00	0.00
Restated balances at the beginning of the current year	7636.57	7575.12	30143.83	2000.00	433.10	47788.61
Total Comprehensive income for the year	0.00	0.00	(2692.92)	0.00	130.95	(2561.97)
Transfer to General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March 2024	**7636.57**	**7575.12**	**27450.91**	**2000.00**	**564.05**	**45226.65**

The accompanying notes are integral part of these financial statements 1 to 55

Subject to our separate Report of even date

For and on behalf of the Board of Directors

FOR KAMBOJ MALHOTRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 015848N

Sanjiv Garg
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(DIN No. 00217156)

Rajiv Garg
Mg.Director
(DIN No.00444558)

C.A. AMARJIT KAMBOJ
PARTNER
Membership No. 082152

Place : Ludhiana
Dated : 30-05-2025

Ramandeep Singh
Chief Financial Officer

Priya Rani
Company Secretary

NOTES

forming part of Financial statements for the year ended March 31, 2025

1. CORPORATE INFORMATION

Garg Acrylics Limited is a Public Limited Company incorporated in India.The Registered Office of the Company is located at A-50/1, Wazirpur Industrial Area, Delhi-110052. The Company is listed on Metropolitan Stock Exchange of India. The Company is engaged in the manufacturing of Synthetic & Cotton Yarn and readymade garments.

2. MATERIAL ACCOUNTING POLICIES :

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended and other relevant provisions of the Act.

Basis of preparation of presentation

The financial statements have been prepared on accrual basis and in accordance with historical cost convention except for certain financial instruments and defined benefits plans which are measured at fair value or amortized cost at the end of each reporting period. The accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

(c) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable. The amount disclosed as revenue is net of returns, trade discounts, goods & service tax and amount collected on behalf of third parties.

The company recognizes revenue when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity.

(i) Sales of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer and the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

(ii) Export Incentives

Revenue in respect of the export incentives is recognized on post export basis.

(iii) Insurance and Other Claims

Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection/settlement thereof.

(d) Goods & Service Tax (G.S.T)

G.S.T. in respect of goods manufactured by the company is accounted for at the time of removal of goods from factory for sale.

(e) Employees Benefits

(i) Short term Employee Benefits :

Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

(ii) Post Employment Benefits

(a) Defined Contribution Plans:

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

(b) Defined Benefit Plans

Gratuity

The Company provides for gratuity, a defined benefit retirement plan (‘ the Gratuity Plan’) covering eligible employees of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Remeasurements comprising of actuarial gains and losses are recognised in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods.

(f) Property, Plant and Equipment

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 and hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of Property, plant and equipment are stated at cost, less accumulated depreciation. The Cost of an item of Property, Plant and Equipment comprises:

(a) its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates.

(b) any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use.

Depreciation is provided on straight line method on the basis of useful lives of such assets specified in Schedule II to the Companies Act, 2013. Further, significant components of assets identified pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated over their useful life based on the technical evaluation done by the management.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Derecognition

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipments is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

(g) Intangible Assets

Intangible assets are stated at cost less accumulated amount of amortization.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, etc. The amortization method and useful lives are reviewed periodically at end of each financial year.

(h) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Net realisable value represents the estimated selling prices less all estimated cost of completion and selling expenses. The cost in respect of the various items of inventory is computed as under:

In case of Raw Materials and Stores & Spares at weighted average cost. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In case of Work in Progress & Finished Goods at weighted average material cost plus conversion costs depending upon the stage of completion.

In case of Waste at Net Realizable Value.

In case of Goods in transit at cost plus expenses incurred up to their present condition and location.

(i) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as part of the cost of such assets. Qualifying assets is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(j) Earnings per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(k) Income Taxes

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is also recognized in equity or other comprehensive income respectively.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets and liabilities are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(l) Government Grants

The government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in the statement of profit and loss on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

(m) Foreign Currency Transactions

(i) Functional and Presentation currency

The functional currency of the company is Indian rupee. These financial statements are presented in Indian rupee.

(ii) Transaction and balances

The foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise.

Foreign exchange differences recorded as an adjustment to borrowing costs are presented in the statement of profit and loss, as a part of finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.

(n) Financial instruments

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

(i) Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss. Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

(ii) Subsequent measurement

(a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

(d) Investments

The Company has adopted to measure investments in Equity Shares at cost in accordance with Ind AS 27 and carrying amount as per previous GAAP at the date of transition has been considered as deemed cost in accordance with Ind AS 101.

(e) Financial liabilities

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

(iii) Derecognition of financial instruments

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

(iv) Fair value measurement of financial instruments

The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

(o) Impairment of assets

a. Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

b. Non-financial assets

Intangible assets and property, plant and equipment

The carrying amount of the assets is reviewed at each balance sheet date. If there is any indication of impairment based on internal and external factors, an impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

(p) Provisions

A provision shall be recognised when:

(a) an entity has a present obligation as a result of a past event;

(b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(c) 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 a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(q) Operating Cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Accordingly all assets and liabilities have been classified as current or non current as per Company's operating cycle and other criteria set out in Ind AS ' Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

(r) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- 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 current when: -

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- it is due to be settled within twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(s) Exceptional items

Exceptional items are disclosed separately in the financial statements wherein it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to their nature or incidence.

3 Property, Plant and Equipment

(₹ in lakh)

Particulars	Original Cost				Depreciation and Amortization				Net Block	
	Balance as at 1st April, 2024	**Additions**	**Disposals**	**Balance as at 31st March, 2025**	**Balance as at 1st April, 2024**	**Depreciation/ amortisation expense for the year**	**Eliminated on disposal of assets**	**Balance as at 31st March, 2025**	**Balance as at 31st March, 2025**	**Balance as at 31st March,2024**
Free-hold Land	3161.00	72.10	0.00	**3233.10**	0.00	0.00	0.00	**0.00**	**3233.10**	3161.00
Buildings	21709.44	377.26	0.00	**22086.70**	7470.93	667.13	0.00	**8138.06**	**13948.64**	14238.51
Plant and Equipment	96623.60	1663.24	66.24	**98220.60**	74328.41	2862.03	62.93	**77127.51**	**21093.09**	22295.19
Vehicles	1161.27	0.00	0.00	**1161.27**	460.63	118.77	0.00	**579.40**	**581.87**	700.64
Office equipment	270.21	14.35	0.00	**284.56**	238.77	9.75	0.00	**248.52**	**36.04**	31.44
Furniture and Fixtures	267.08	4.79	0.00	**271.87**	190.61	11.65	0.00	**202.26**	**69.61**	76.47
Total	123192.60	2131.74	66.24	125258.10	82689.35	3669.33	62.93	86295.75	38962.35	40503.24

(₹ in lakh)

Particulars	Original Cost				Depreciation and Amortization				Net Block	
	Balance as at 1st April, 2023	**Additions**	**Disposals**	**Balance as at 31st March, 2024**	**Balance as at 1st April, 2023**	**Depreciation/ amortisation expense for the year**	**Eliminated on disposal of assets**	**Balance as at 31st March, 2024**	**Balance as at 31st March, 2024**	**Balance as at 31st March, 2023**
Free-hold Land	3027.53	133.47	0.00	3161.00	0.00	0.00	0.00	0.00	3161.00	3027.53
Buildings	19888.62	1820.82	0.00	21709.44	6859.04	611.89	0.00	7470.93	14238.51	13029.58
Plant and Equipment	82487.22	14237.55	101.17	96623.60	72178.66	2245.86	96.11	74328.41	22295.19	10308.56
Vehicles	963.02	304.70	106.45	1161.27	443.44	98.60	81.41	460.63	700.64	519.58
Office equipment	259.87	10.34	0.00	270.21	229.68	9.09	0.00	238.77	31.44	30.19
Furniture and Fixtures	260.25	6.83	0.00	267.08	177.06	13.55	0.00	190.61	76.47	83.19
Total	106886.51	16513.71	207.62	123192.60	79887.88	2978.99	177.52	82689.35	40503.25	26998.64

(₹ in lakh)

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
4 Capital Work in Progress		
Balance at the beginning	233.69	3248.56
Additions	1806.81	13043.50
Less: Capitalised during the year	2040.50	16058.37
Balance at the year end	0.00	233.69

Capital work in progress ageing schedule as at March 31,2025

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	0.00	0.00	0.00	0.00	0.00
Projects temporarily suspended	Nil	Nil	Nil	Nil	Nil
Total	0.00	0.00	0.00	0.00	0.00

Capital work in progre ss ageing schedule as at March 31,2024

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	233.69	0.00	0.00	0.00	233.69
Projects temporarily suspended	Nil	Nil	Nil	Nil	Nil
Total	233.69	0.00	0.00	0.00	233.69

5 Intangible Assets

(₹ in lakh)

Particulars	Original Cost				Depreciation and Amortization				Net Block	
	Balance as at 1st April, 2024	**Additions**	**Disposals**	**Balance as at 31st March, 2025**	**Balance as at 1st April, 2024**	**Depreciation/ Amortisation expense for the year**	**Eliminated on disposal of assets**	**Balance as at 31st March, 2025**	**Balance as at 31st March, 2025**	**Balance as at 31st March,2024**
Intangible Assets:										
Computer Softwares	14.26	0.00	0.00	**14.26**	9.90	1.30	0.00	**11.20**	**3.06**	4.36
Total	14.26	0.00	0.00	14.26	9.90	1.30	0.00	11.20	3.06	4.36

(₹ in lakh)

Particulars	Original Cost				Depreciation and Amortization				Net Block	
	Balance as at 1st April, 2023	**Additions**	**Disposals**	**Balance as at 31st March, 2024**	**Balance as at 1st April, 2023**	**Depreciation/ Amortisation expense for the year**	**Eliminated on disposal of assets**	**Balance as at 31st March, 2024**	**Balance as at 31st March, 2024**	**Balance as at 31st March, 2023**
Intangible Assets:										
Computer Softwares	12.9900	1.2700		14.2600	8.11	1.79	0.00	9.90	4.36	4.88
Total	12.99	1.27	0.00	14.26	8.11	1.79	0.00	9.90	4.36	4.88

Intangible Assets are not internally generated.

6 Investments (Non Current)

(₹ in lakh)

Particulars		As at 31st March 2025	As at 31st March 2024
Financial Assets at FVTPL			
(i) Investment In Equity Instruments (Unquoted)			
15,000 Equity Shares of Rs. 10/- each fully paid up of DPG Textiles Limited		6.46	5.25
(ii) Investment in Equity Instruments (Quoted)		0.09	0.12
196 Equity Shares of Rs. 10/- each fully paid up of Punjab & Sind Bank			
(iii) Investment in Mutual Funds (Unquoted)			
Axis Small Cap Fund	41043.488 Units (Prev. Year 27866.475 Units)	45.18	27.35
Kotak Emerging Equity Fund	34039.686 Units (Prev. Year 23497.504 Units)	46.41	27.50
Nippon India Small Cap Fund	25948.63 Units (Prev. Year 17792.072 Units)	43.00	27.47
Nuvama Crossover Opportunities Fund-Series III B-Coll.Account	646184.948 Units (Prev. Year 545302.184 Units)	59.89	56.28
Pgim India Midcap Opportunities Fund	64288.924 Units (Prev. Year 42692.103 Units)	43.11	26.18
		244.14	170.14
Agreegate amount of Quoted Investments		0.09	0.12
Market Value of Quoted Investments		0.09	0.12
Agreegate amount of Unquoted Investments		244.05	170.03
Agreegate amount of impairement in value of Investments		0.00	0.00

7 Other Financial Assets (Non Current)

Particulars	As at 31st March 2025	As at 31st March 2024
Financial assets at amortized cost		
Fixed Deposits with banks having more than twelve months maturity (refer note 13)	943.93	50.99
Interest Receivable on above FDR	31.42	0.98
Total	975.35	51.96

8 Other Non Current Assets

Particulars	As at 31st March 2025	As at 31st March 2024
Capital Advances against Building & Machinery	466.54	697.65
Total	466.54	697.65

9 Inventories

Particulars	As at 31st March 2025	As at 31st March 2024
At cost or net realisable value, whichever is lower		
Raw materials	19370.49	23943.30
Work-in-progress	4568.50	3966.89
Finished Goods	12130.27	11555.75
Stores, Spares & Packing Material	898.82	634.93
Total	36968.09	40100.87

10 Investments (Current)

Particulars	As at 31st March 2025	As at 31st March 2024
Trade Investments (At Cost)		
In Capital of Partnership Firm		
Garg International	89.54	89.54
	89.54	89.54

The company is one of the partners in the partnership firm M/s Garg International. The names of all the partners and their profit sharing ratio are as under:-

Name of the Partner	Profit sharing Ratio
Garg Acrylics Ltd	0.95
Sh. Navneet Sharma	0.05

The Total capital of the said firm is Rs 8984416.95 as on 31.03.2025.
(Rs. 8984129.84 as on 31-03-2024)

11 Trade Receivables

(₹ in lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Unsecured, considered good		
Receivable from related parties	22.64	0.00
Receivable from others	16951.49	19769.64
Doubtful	0.00	0.00
Total	16974.13	19769.64

Ageing for Trade Receivables

Undisputed Trade receivables considered good		
Not due	10831.02	12507.89
Less than 6 months	4733.08	5312.27
6 months to 1 year	154.29	586.68
1-2 years	211.88	423.58
2-3 years	154.03	342.96
More than 3 years	889.83	596.26
	16974.13	19769.64

12 Cash and cash equivalents

Particulars	As at 31st March 2025	As at 31st March 2024
a) Balances with banks		
- In current accounts	4.24	1.81
b) Cash on hand	132.60	88.88
Total	136.84	90.69

13 Bank Balances other than Cash and cash equivalents

Particulars	As at 31st March 2025	As at 31st March 2024
Other bank balances		
- Fixed Deposits with more than twelve months maturity held as margin money - Rs 769.10 lacs (Prev. Year 50.98 Lacs)	943.93	50.99
- Fixed Deposits with less than twelve months maturity including Deposits held as margin money - Rs 51.00 lacs (Prev.Year 100.00 lacs)	211.16	559.29
Sub-Total	1155.09	610.27
Less: Amounts disclosed as other financial assets (non current)(refer note 7)	943.93	50.99
Total	211.16	559.29

14 Other financial assets (Current)

Particulars	As at 31st March 2025	As at 31st March 2024
Financial assets at amortized cost		
Interest receivables	3.83	41.84
Other Receivables	38.73	391.23
Total	42.56	433.07

15 Other Current Assets

Particulars	As at 31st March 2025	As at 31st March 2024
(unsecured considered good, unless otherwise stated)		
Advances to suppliers	3451.66	947.62
Balance with government authorities	4963.97	5450.80
Prepaid expenses	173.44	128.42
Other Recoverables	2027.67	809.85
Total	10616.74	7336.68

16 SHARE CAPITAL

(₹ in lakh exept numbers)

Particulars	As at 31st March 2025		As at 31st March 2024	
	Number	Amount	Number	Amount
Authorised				
Equity shares of Rs. 10/- each (par value)	**21200000**	**2120.00**	6900000	690.00
6% Non-Cumulative Redeemable Preference Shares of 10/- each	**10000000**	**1000.00**	24300000	2430.00
Total	**31200000**	**3120.00**	31200000	3120.00
Issued, subscribed and fully paid-up				
i) Equity shares of Rs. 10/- each	6642800	664.28	6642800	664.28

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period :

	As at 31st March 2025		As at 31st March 2024	
	Number	Amount	Number	Amount
Equity shares				
At the beginning of the reporting period	**6642800**	**664.28**	6642800	664.28
Add: Shares Issued during the reporting period	**0**	**0.00**	0	0.00
Outstanding at the end of the reporting period	**6642800**	**664.28**	6642800	664.28

b) Rights, preferences and restrictions attached to equity shares

The company's equity shares are having par value of Re.10/- per share. Each holder of equity share is entitled to one vote per share. The dividend distribution (if any) will be in proportion to the number of equity shares held by the shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Detail of Equity Shareholding of the Promoters

	As at 31st March 2025		% of change During the year
	Number	% shareholding	
Sanjiv Garg	374400	**5.64**	**0%**
Sanjiv Garg & Sons (HUF)	800	**0.01**	**0%**
D.P Garg & Sons (HUF)	133440	**2.01**	**0%**
Renu Garg	424800	**6.39**	**0.45**
Neelu Garg	56800	**0.86**	**0%**
Ujjwal Garg	40800	**0.61**	**0%**
Rajiv Garg	330400	**4.97**	**0%**
Rajiv Garg & Sons (HUF)	800	**0.01**	**0%**
Toshak Garg	56800	**0.86**	**0%**
Shubham Yarns Private Limited	1497520	**22.54**	**0%**
Gal Cottex Private Limited	1063920	**16.02**	**0%**
Pushpa Yarns Private Limited	25600	**0.39**	**0%**
DPG Textiles Limited	92640	**1.39**	**0%**
Arun Nanda	80	**0.00**	**0%**
Vimal Nanda	80	**0.00**	**0%**
Sunil Nanda	80	**0.00**	**0%**
Ravi Nanda	80	**0.00**	**0%**
Raj Nanda	80	**0.00**	**0%**
Jagdish.K.Jain	80	**0.00**	**0%**
Arun.K. Aggarwal	80	**0.00**	**0%**

d) Detail of shareholders holding more than 5% Equity shares in the Company

	As at 31st March 2025		As at 31st March 2024	
	Number	% shareholding	Number	% shareholding
Shubham Yarns Private Limited	1497520	**22.54**	1497520	22.54
GAL Cottex Private Limited	1063920	**16.02**	1063920	16.02
Himachal Yarns Limited	636720	**9.59**	646720	9.74
Sanjiv Garg	374400	**5.64**	374400	5.64
Renu Garg	424800	**6.39**	394800	5.94
Sumit Aggarwal	360000	**5.42**	360000	5.42

e) Shares held by holding company or its ultimate holding company or subsidiaries or associates of the holding company or the ultimate holding company in aggregate.

There is no holding /ultimate holding company of this Company.

f) Aggregate number and class of shares alloted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and share bought back for the period of five years immediately preceding the reporting date -NIL

17 Other Equity

(₹ in lakh)

Particulars	Reserves & Surplus					
	Securities Premium Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	items of other comprehensive income	Total
Balance as at 01 April 2024	7636.57	7575.12	27450.91	2000.00	564.05	45226.65
Changes in Accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00	0.00
Restated balances at the beginning of the current year	7636.57	7575.12	27450.91	2000.00	564.05	45226.65
Total Comprehensive income for the year			2140.04		182.49	2322.53
Transfer to General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March 2025	**7636.57**	**7575.12**	**29590.95**	**2000.00**	**746.54**	**47549.18**
Balance as at 01 April 2023	7636.57	7575.12	30143.83	2000.00	433.10	47788.61
Changes in Accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00	0.00
Restated balances at the beginning of the current year	7636.57	7575.12	30143.83	2000.00	433.10	47788.61
Total Comprehensive income for the year			(2692.92)		**130.95**	(2561.97)
Transfer to General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Amount Transferred to Capital Redemption Reserves			0.00	0.00		0.00
Redemption of Compound Financial Instrument			0.00			0.00
Balance as at 31 March 2024	**7636.57**	**7575.12**	**27450.91**	**2000.00**	**564.05**	**45226.66**

Nature and purpose of Reserves

Securities Premium

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve represent amount set aside out of profits of the company for utilisation in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

Retained Earnings are the profits/losses of the Company earned/incurred till date net of appropriations.

Capital Redemption Reserve

Capital Redemption Reserve represents amounts set aside on redemption of preference shares and is utilised in accordance with the provisions of the Companies Act, 2013. .

Items of Other Comprehensive Income

This reserve represents actuarial gains with regard to Gratuity Liability determined by actuarial valuation recognised in Other Comprehensive income which are not classified to Profit or Loss in subsequent periods.

18 Borrowings (Non Current)

(₹ in lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Secured		
Term Loans From banks (Net of unamortized processing charges)	**12231.44**	**14575.74**
Less: Current maturities (refer note-21)	**2275.76**	**2330.50**
Sub Total	**9955.68**	**12245.24**
Vehicles Loans from Banks	**253.57**	**395.41**
Less: Current maturities (refer note-21)	**110.98**	**141.84**
Sub Total	**142.59**	**253.57**
Total	**10098.27**	**12498.82**

Details of Security

Term loans from Banks are secured by first parri passu charge on the entire fixed assets of the company alongwith equitable mortgage created on all the immovable assets of the company and further secured by Second Parri-passu charge on the entire current assets except pledged stock of the company and personal guarantee of the promoter directors.

Vehicle Loan from banks are secured by Hypothecation of Vehicles.

Term Loans from Banks are repayble in quarterly installments.

The year wise repayment of term loans due are as under :-

Year Ended	Amount of Repayment
3/31/2027	2069.56
3/31/2028	1797.14
3/31/2029	1982.07
3/31/2030	1560.41
3/31/2031	1497.76
3/31/2032	1048.73

Yearwise Repayment of Vehicle Loans due are as under:-

Year Ended	Amount of Repayment
3/31/2027	70.01
3/31/2028	68.54
3/31/2029	4.04

19 Provisions (Non Current)

Particulars	As at 31st March 2025	As at 31st March 2024
Provision for employee benefits : Gratuity (Refer Note no. 44)	**378.01**	**441.06**
Total	378.01	441.06

20 Deferred tax liabilities (net)

Particulars	As at 31st March 2025	As at 31st March 2024
Deferred tax liabilities Gross deferred tax liability (A) [Refer note 42(a)]	**930.46**	**581.21**
Deferred tax assets Gross deferred tax asset (B) [Refer note 42(a)]	**821.39**	**178.56**
Deferred tax liability (Net) (A-B)	**109.07**	**402.65**

21 Borrowings (Current)

(₹ in lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Working capital loans - From banks (secured)	**36239.07**	**38285.35**
Current maturities of non current debt	**2386.74**	**2472.33**
Total	38625.81	40757.68

Details of security for working capital borrowings

The Working Capital Loans are secured by pledge of warehouse receipts of cotton bales, hypothecation of Stock in trade (except pledged stock), Book Debts and other current assets of the company and further secured by second Parri-passu charge on the entire fixed assets of the company and personal guarantee of Promoter directors.

22(a) Trade payables to Micro and Small Enterprises

Particulars	As at 31st March 2025	As at 31st March 2024
Trade payables		
Disputed dues	**0.00**	**0.00**
Due to others (refer note no.40)	**125.16**	**1128.36**
Total	125.16	1128.36
Ageing for Trade Payables		
Not due	125.14	1127.03
Less than 45 days	0.02	1.33
46 days to 1 year	0.00	0.00
1-2 years	0.00	0.00
2-3 years	0.00	0.00
More than 3 years	0.00	0.00

22(b) Trade payables to Others

Particulars	As at 31st March 2025	As at 31st March 2024
Trade payables		
Disputed dues	**0.37**	**1.25**
Due to others	**6545.20**	**7569.13**
Due to related parties (Refer Note no. 41)	**0.00**	**0.00**
Total	6545.57	7570.39
Ageing for Trade Payables (disputed)		
Less than 1 year	0.00	0.00
1-2 years	0.00	0.00
2-3 years	0.00	0.00
More than 3 years	0.37	1.25
	0.37	1.25
Ageing for Trade Payables (others)		
Not due	5972.17	5248.12
Less than 1 year	524.83	2224.85
1-2 years	47.85	12.90
2-3 years	0.35	83.26
More than 3 years	0.00	0.00
	6545.20	7569.13

23 Other financial liabilites (Current)

(₹ in lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Financial liabilities at amortized cost		
Other Financial Liabilities	**141.68**	**110.85**
Total	141.68	110.85

24 Other current liabilities

Particulars	As at 31st March 2025	As at 31st March 2024
Statutory remittances**	**181.58**	**190.26**
Deferred Revenue on Capital subsidy	**0.00**	**1.78**
Advances from customers	**216.59**	**209.54**
Expense payable	**880.32**	**644.92**
Other Payables	**4.98**	**2.30**
Total	1283.47	1048.80

** Statutory remittances include contribution to provident fund, ESI, TDS, TCS & G.S.T. etc.

25 Provisions

Particulars	As at 31st March 2025	As at 31st March 2024
Provision for employee benefits :Gratuity (refer note 44)	**170.02**	**191.28**
Total	170.02	191.28

26 Revenue from operations

Particulars	As at 31st March 2025	As at 31st March 2024
Sale of products (excluding G.S.T)	**171790.90**	**156179.84**
Other operating revenues - Export benefits	**3134.04**	**3697.11**
Gain(Loss) on foreign currency transactions and translations (Net)	**444.88**	**637.16**
Total	175369.82	160514.11

27 Other income

Particulars	As at 31st March 2025	As at 31st March 2024
Interest Income on banks deposits	**71.02**	**34.64**
Interest on delayed payments	**136.98**	**129.26**
Interest on Insurance Claim	**0.00**	**37.63**
Interest on Income tax refund	**7.16**	**0.00**
Deferred Revenue on Capital Subsidy	**1.78**	**2.11**
Deemed gain(loss) on Fair Value of Investment	**4.00**	**23.39**
Share of Profit from Partnership Firm	**0.01**	**0.02**
Miscellaneous Income	**4.53**	**0.16**
Total	225.48	227.20

28 Cost of materials consumed

Particulars	**As at** 31st March 2025	As at 31st March 2025	As at 31st March 2024
Inventory at the beginning of the year		**23943.30**	**18516.41**
Add: Purchases during the year		**118997.91**	**118815.89**
Less: Inventory at the end of the year		**19370.48**	**23943.30**
Cost of materials consumed		123570.73	113388.99
Broad Category for Raw Material Consumed			
Synthetic Fibre		**19907.33**	**18126.02**
Cotton Fibre		**100876.80**	**93392.28**
Fabric,Yarn for Garments		**1778.77**	**1425.54**
Others (Semi Finished yarns)		**1007.83**	**445.15**
		123570.73	**113388.99**

29 Purchases of Stock-in-trade:

Particulars	As at 31st March 2025	As at 31st March 2024
Synthetic/Cotton Yarn	**341.94**	**490.34**
Total	341.94	490.34

30 Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Inventories at the beginning of the year		
Work-in-progress	**3966.89**	**3018.18**
Finished goods	**11555.75**	**15425.68**
Sub Total	15522.64	18443.86
Inventories at the end of the year		
Work-in-progress	**4568.50**	**3966.89**
Finished goods	**12130.27**	**11555.75**
Sub Total	16698.77	15522.64
Total Change in inventories	-1176.13	2921.22

31 Employee benefits expense

Particulars	As at 31st March 2025	As at 31st March 2024
Salaries and wages	**10910.85**	**9665.70**
Contribution to provident and other funds	**565.21**	**590.66**
Conveyance Expenses-Workers	**255.66**	**245.41**
Total	11731.72	10501.78

32 Finance costs

Particulars	As at 31st March 2025	As at 31st March 2024
Interest expense	**5361.11**	**4475.93**
Notional amortisation of Processing Fees	**0.00**	**9.84**
Other borrowing costs	**369.97**	**298.34**
Total	5731.08	4784.11

33 Other expenses

Particulars	As at 31st March 2025	As at 31st March 2024
Power & Fuel	**15254.22**	**14255.95**
Consumption of Stores and Spares	**5011.18**	**5132.20**
Job Charges	**888.16**	**756.90**
Repairs to Machinery	**2380.24**	**1909.82**
Repairs to Building	**96.08**	**61.07**
Repair Others	**28.36**	**35.09**
Insurance	**223.39**	**239.51**
Vehicle Maintenance	**116.92**	**121.70**
Travelling & Conveyance Expenses	**151.19**	**180.77**
Postage Courier & Telephone	**43.12**	**44.86**
Auditors Remuneration		
-Audit Fee	**8.00**	**8.00**
-Tax Audit Fee	**5.00**	**5.00**
-Cost Audit Fee	**0.55**	**0.60**
Legal & Professional Charges	**178.22**	**107.75**
Rates and Taxes	**45.81**	**52.65**
Listing Fee	**0.55**	**0.55**
Printing & Stationery	**32.41**	**42.04**
Subscription & Periodicals	**7.01**	**7.37**
General Expenses	**101.48**	**71.36**
Corporate Social Responsibility Expenses (Note 51)	**205.47**	**191.69**
Charity & Donation	**2.98**	**1.35**
Recruitment Expenses	**7.14**	**6.18**
Export Expenses	**2544.38**	**2325.04**
Carriage Outward	**763.50**	**848.71**
Advertisement and Sales Promotion	**28.30**	**71.06**
GST paid	**124.37**	**0.00**
Selling Expenses	**925.14**	**958.12**
Brokerage and Commission	**786.73**	**687.12**
Total	29959.90	28122.46

34 Exceptional Items

Particulars	As at 31st March 2025	As at 31st March 2024
Profit(+)/Loss(-) on disposal of Property, plant and equipment	**13.72**	56.90
	13.72	56.90

35(a) Financial Instruments by Category

The carrying value and fair value of financial instruments at the end of each reporting period is as follows:

As at 31st March 2025 (₹ in lakh)

Particulars	At Cost	At Amortized cost	At fair value through profit or loss		Total carrying value	Total Fair value
			Designated upon initial recognition	Mandatory		
Assets:						
Investments (Non Current) (Refer Note 6)				244.14	244.14	244.14
Other financial non-current assets (Refer Note 7)		975.35			975.35	975.35
Investments (Current) (Refer Note 10)	89.54				89.54	89.54
Trade receivables (Refer Note 11)		16974.13			16974.13	16974.13
Cash and Cash Equivalents (Refer Note 12)		136.84			136.84	136.84
Other Bank Balances (Refer Note 13)		211.16			211.16	211.16
Other financial assets (Current) (Refer Note 14)		42.56			42.56	42.56
Total	89.54	18340.04	0.00	244.14	18673.72	18673.72
Liabilities:						
Borrowings (Non Current) (Refer Note 18)		10098.27			10098.27	10098.27
Borrowings (Current) (Refer Note 21)		38625.81			38625.81	38625.81
Trade Payables (Refer Note 22 (a) &(b)		6670.72			6670.72	6670.72
Other financial liabilities (Current) (Refer Note 23)		141.68			141.68	141.68
Total	0.00	55536.48	0.00	0.00	55536.48	55536.48

As at 31st March 2024

(₹ in lakh)

Particulars	At Cost	At Amortized cost	At fair value through profit or loss		Total carrying value	Total Fair value
			Designated upon initial recognition	Mandatory		
Assets:						
Investments (Non Current) (Refer Note 6)				170.14	170.14	170.14
Other financial non-current assets (Refer Note 7)		51.96			51.96	51.96
Investments (Current) (Refer Note 10)	89.54				89.54	89.54
Trade receivables (Refer Note 11)		19769.64			19769.64	19769.64
Cash and Cash Equivalents (Refer Note 12)		90.69			90.69	90.69
Other Bank Balances (Refer Note 13)		559.29			559.29	559.29
Other financial assets (Current) (Refer Note 14)		433.07			433.07	433.07
Total	89.54	20904.64	0.00	170.14	21164.32	21164.32
Liabilities:						
Borrowings (Non Current) (Refer Note 18)		12498.82			12498.82	12498.82
Borrowings (Current) (Refer Note 21)		40757.68			40757.68	40757.68
Trade Payables (Refer Note 22 (a) &(b)		8698.75			8698.75	8698.75
Other financial liabilities (Current) (Refer Note 23)		110.85			110.85	110.85
Total	0.00	62066.10	0.00	0.00	62066.10	62066.10

35 (b) Fair Value Measurement

(i) Fair Value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value:

As at 31st March 2025 (₹ in lakh)

		Fair Value measurement using		
Particulars	Fair Value	Level 1	Level 2	Level 3
Long term Investments				
Fair Value through Profit and Loss	244.14	0.08	6.46	237.59

As at 31st March 2024

		Fair Value measurement using		
Particulars	Fair Value	Level 1	Level 2	Level 3
Long term Investments				
Fair Value through Profit and Loss	170.14	0.12	5.25	164.77

36 Contingent Liabilities

Accounting Policy

In the normal course of business, contingent liabilities arise from litigations and claims.It is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses the same.

Contingencies (to the extent not provided for):- **(₹ in lakh)**

Particulars	**As at 31st March, 2025**	**As at 31st March, 2024**
(i) Bank Guarantees	1441.83	1441.83
(ii) Litigation under the Income Tax Act, 1961	0.00	35.03

37 Business segments have been identified based on the nature and class of products and services, assessment of and disclosure requirements as contained in Ind AS- 108 ‘Operating Segments’ are not required in the Financial statements.

38 In accordance with Ind AS-36 on “Impairment of Assets” the Company has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account.

39 Earning Per Share

(a) The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on “Earning Per Share”

(i) A statement on calculation of basic & Diluted EPS is as under:

(₹ in lakh exept numbers)

Particulars	**31.03.2025**	**31.03.2024**
Net Profit after tax attributable to equity shareholders (A)	**2140.02**	(2692.92)
Weighted average number of equity shares (B)	**6642800.00**	6642800.00
Basic earning per Share (A)/(B)	**32.22**	(40.54)
Diluted earning per Share (A)/(B)	**32.22**	(40.54)
Face value per equity share	**Rs. 10.00**	Rs. 10.00

40 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 under the chapter on delayed payments to Micro & small enterprises.

(₹ in lakh)

Sr. No.	Particulars	**As at 31st March, 2025**	**As at 31st March, 2024**
1	Principal amount remaining unpaid to any supplier as at the end of accounting period	**125.16**	**1128.36**
2	Interest due on remaining unpaid principal amount to any supplier as at the end of the accounting period	-	-
3	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during accounting period	-	-
4	The amount of interest due and payable for the year	-	-
5	The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
6	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues of Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

41 Related Party Disclosure

(a) Disclosure of Related Parties and relationship between the parties.

1 Subsidiaries	Garg International
2 Key Management Personnel (KMP)	Sanjiv Garg - Managing Director Rajiv Garg - Managing Director Ujjwal Garg - Wholetime Director
3 Enterprises over which key Management Personnel and relative of such personnel is able to exercise significant influence or control	Pushpa Yarns Private Limited Shubham Yarns Private Limited DPG Textiles Ltd Gal Cottex Private Limited
4 Relatives of KMP	Sambhav Garg Aakriti Garg

(b) **Description of the nature of transactions with the related parties :-**

Particulars	**Subsidiaries**		**Key Management Personnel (KMP)**		**Relative of Key Management Personnel (KMP)**		**Enterprises over which KMP is able to exercise significant influence**	
	Current Year	**Previous Year**	**Current Year**	**Previous Year**	**Current Year**	**Previous Year**	**Current Year**	**Previous Year**
Sale of goods	0.00	0.00					544.95	0.00
KMP Remuneration			173.39	170.62	54.44	49.94		
Year end balance receivable	126.09	126.09					22.64	0.00

42 Income taxes:

(a) The detail of deferred tax liabilities and assets as at the end of each reporting period is as under: (₹ in lakh)

	As at 1st April 2023	Movement during 2023-24	As at 31st March 2024	Movement during 2024-25	As at 31st march 2025
Deferred tax Liability					
Impact of Depreciation	229.87	345.58	575.45	351.17	**926.62**
Fair valuation Gain on investments	(0.13)	5.89	5.76	(1.92)	**3.84**
Sub Total (A)	229.74	351.47	581.21	349.25	**930.46**
Deferred tax Asset					
Impact of Unabsorbed Depreciation	0.00	0.00	0.00	669.63	**669.63**
Impact of Unamortised Processing Fees	15.35	(2.47)	12.88	(2.58)	**10.30**
Government Grants	0.98	(0.53)	0.45	(0.45)	**0.00**
Gratuity	158.76	0.39	159.15	(21.22)	**137.93**
Punjab Labour Welfare Fund	5.49	0.59	6.08	(2.55)	**3.53**
Sub Total (B)	180.58	(2.02)	178.56	642.83	**821.39**
Deferred tax liability (Net) (A-B)	49.16	353.49	402.65	(293.58)	**109.07**

In view of losses, as a matter of prudence, Deferred Tax Asset (DTA) has not been recognised on unabsorbed depreciation at the year ended on 31.03.2024. In the current year, the DTA has been recognised in view of taxable profits and reasonable certainity that sufficient future taxable income will be available against which DTA would be realised.

(b) Reconciliation of Deferred tax liabilities (net)

Particulars	Current year	Previous year
Deferred tax liability at the beginning of the year	**402.65**	49.16
Deferred tax (income)/expenses during the year recognized in Statement of Profit and loss	**(354.95)**	309.44
Deferred tax (income)/expenses during the year recognized in Other Comprehensive income	**61.38**	44.04
Deferred tax liability at the end of the year	**109.07**	402.65

(c) Reconciliation of tax expense and the Profit before tax multiplied by statutory tax rate :

Particulars	Current year	Previous year
Accounting profit before tax	**1779.15**	(2391.49)
Tax at statutory income tax rate of 25.168%	**447.78**	(601.89)
Tax effect of the amounts not deductible for computing taxable income		
Depreciation difference	**(1205.12)**	(331.26)
Disallowances	**52.46**	48.59
Unabsorbed Depreciation c/f	**669.63**	857.42
43B Disallowances	**40.16**	45.41
Deductions/Exemption/Non Taxable items	**(3.46)**	(14.33)
Fair valuation Gain on investments	**(1.01)**	(5.89)
Deferred Revenue	**(0.45)**	(0.53)
Notional Interest	**0.00**	2.48
Income tax expense	**(0.00)**	(0.00)

43 Other Disclosures

(a) Relationship with Struck off Companies - The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956

(b) There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.

(c) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.

(d) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

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

(f) The Company have neither received nor given any fund from or to any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(g) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

(h) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

44 Employee Benefits :

Gratuity plan: The Company has a gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act.
The following tables set out the disclosures in respect of the gratuity plan as required under Ind AS 19.

(a) Changes in the present value of the Plan Assets **(₹ in lakh)**

Particulars	**Current Year**	**Previous Year**
Present value obligation as at beginning of the year	**632.34**	630.82
Interest cost	**45.39**	46.06
Past service cost	**0.00**	0.00
Current service cost	**125.01**	140.36
Benefits Paid	**(10.85)**	(9.91)
Actuarial gain(-)/ loss(+) on Obligations	**(243.87)**	(175.00)
Present value of obligation as at end of the year	548.02	632.34

(b) Changes in the fair value of the Plan Assets:

Particulars	**Current Year**	**Previous Year**
Fair value of Plan Assets as at beginning of the year	-	-
Actual return on Plan Assets	-	-
Contributions	-	-
Benefits Paid	-	-
Withdrawal	-	
Fair value of Plan Assets as at end of the year	0.00	0.00

(c) Amount recognized in Balance Sheet:

Particulars	**Current Year**	**Previous Year**
Present value of obligation as at end of the year	**548.02**	632.34
Fair value of Plan Assets as at end of the year	**0.00**	0.00
Funded Status	**(548.02)**	(632.34)
Present value of unfunded obligation as at end of the year	**0.00**	0.00
Unfunded Actuarial (gains)/ losses	**0.00**	0.00
Unfunded Net Asset/ (Liability) recognized in Balance Sheet.	0.00	0.00

(d) Actuarial Gain/Loss on Plan Assets

Particulars	**Current Year**	**Previous Year**
Expected Interest Income	**0.00**	0.00
Actual Income on Plan Asset	**0.00**	0.00
Actuarial gain /(loss) for the year on Asset	0.00	0.00

(e) Expenses Recognized in Profit & Loss:

Particulars	**Current Year**	**Previous Year**
Past service cost	**0.00**	0.00
Current service cost	**125.01**	140.36
Interest cost	**45.39**	46.06
Expected Interest Income	**0.00**	0.00
Total Expenses recognised in Profit & Loss Account	170.40	186.43

(f) OCI Recognized:

Particulars	**Current Year**	**Previous Year**
Actuarial gain(-)/ loss(+) for the year on Projected Benefit Obligation	**(243.87)**	(175.00)
Actuarial (gain)/loss for the year on Asset	**0.00**	0.00
Unrecognized actuarial (gain)/loss at the end of the year	(243.87)	(175.00)

(g) Principal actuarial assumption at the Balance Sheet Date (expressed as weighted average):

Particulars	**Current Year**	**Previous Year**
Discount Rate (per annum)	**7.00%**	7.24%
Rate of increase in compensation levels (per annum)	**6.00%**	6.00%
Expected Average remaining working lives of employees (years)	**22.38**	23.09
Method Used	**Projected Unit Credit**	Projected Unit Credit

The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employee market.

(h) The quantitative sensitivity analysis on net liability recognized on account of change in significant assumptions:

Particulars	As at 31.03.2025	As at 31.03.2024
Discount Rate		
1.00% Increase	**(3.65)**	(3.91)
1.00% decrease	**3.75**	3.98
Future Salary increase		
1.00% Increase	**15.68**	17.68
1.00% decrease	**(15.01)**	(16.95)

As per Actuarial Certificate, sensitivities due to mortality & withdrawals are not material & hence impact of change has not been calculated.

(i) The following payments are expected payouts to the defined benefit plan in future years:

(₹ in lakh)

Particulars	As at 31.03.2025	As at 31.03.2024
Within 1 year	**174.97**	**197.20**
1-5 years	**324.76**	**396.41**
Beyond 5 years	**183.90**	**196.90**
Total expected payments	**683.63**	790.50

45 Financial Risk Management

The principal financial assets of the Company includes trade and other receivables, cash and bank balances that derive directly from its operations. The principal financial liabilities of the company, includes loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:

i) **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

a) Foreign currency risk

The company operates internationally and business is transacted in several currencies. The export sales of company comprise around 41% of the total sales of the company, Further the company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The following table summarizes the company's exposure to foreign currency risk from financial instruments at the end of each reporting period:

Particulars	As at 31st March 2025	As at 31st March 2024
A) Exposure on account of Financial Assets		
Trade receivables (net of bill discounted) (A)		
-In USD	**4892592.20**	9292713.07
-In Euro	**0.00**	0.00
-In GBP	**143889.10**	88323.91
-In CHF	**0.00**	60701.92
Amount hedged through forwards (B)		
-In USD	**4892592.20**	9292713.07
-In Euro	**0.00**	0.00
-In GBP	**143889.10**	88323.91
-In CHF	**0.00**	60701.92
Net Exposure to Foreign Currency Assets (C=A-B)		
-In USD	**0.00**	0.00
-In Euro	**0.00**	0.00
-In GBP	**0.00**	0.00
-In CHF	**0.00**	0.00

Particulars	As at 31st March 2025	As at 31st March 2024
B) Exposure on account of Financial Liabilities		
Borrowings, Trade & Other Payables (D)		
-In USD	**7066631.52**	9194803.83
-In Euro	**41546.90**	138900.54
-In GBP	**206725.80**	345709.48
Amount Hedged through forwards (E)		
-In USD	**7066631.52**	9194803.83
-In Euro	**41546.90**	138900.54
-In GBP	**206725.80**	345709.48
Net Exposure to Foreign Currency Liabilities F=(D-E)		
-In USD	**0.00**	0.00
-In Euro	**0.00**	0.00
-In GBP	**0.00**	0.00
-In JPY	**0.00**	0.00
-In CHF	**0.00**	0.00
Net Exposure to Foreign Currency Assets/(Liability) (C-F)		
-In USD	**0.00**	0.00
-In Euro	**0.00**	0.00
-In GBP	**0.00**	0.00
-In JPY	**0.00**	0.00
-In CHF	**0.00**	0.00

The following significant exchange rates applied during the year:

Particulars	2024-25 (Average exchange rate)	2023-24 (Average exchange rate)	2024-25 (Year end rates)	2023-24 (Year end rates)
INR/USD	**84.57**	**82.80**	**85.76**	**83.37**
INR/EURO	**93.43**	**89.91**	**96.65**	**90.22**
INR/GBP	**108.08**	**103.58**	**110.86**	**105.29**
INR/JPY	**0.59**	**0.62**	**0.57**	**0.62**
INR/CHF	**94.54**	**90.99**	**96.65**	**92.42**

Foreign currency sensitivity

The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities on account of reasonably possible change in USD and Euro exchange rates (with all other variables held constant) will be as under:

(₹ in lakh)

Particulars	As at 31-Mar-25	As at 31-Mar-24
10% Strengthening/weakening of USD against INR	**(186.45)**	8.16
10% Strengthening/weakening of Euro against INR	**(4.02)**	(12.53)
10% Strengthening/weakening of GBP against INR	**(6.97)**	(27.10)
10% Strengthening/weakening of CHF against INR	**0.00**	5.61

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company' s exposure to the risk of changes in market interest rates relates primarily to the Company' s debt obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company' s exposure to the risk of changes in market interest rates relates primarily to the Company' s debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

(₹ in lakh)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Variable rate instruments		
Long term borrowings	**10098.27**	12498.82
Current maturities of long term debt	**2386.74**	2472.33
Short term borrowings	**36239.07**	38285.35

Cash flow sensitivity analysis for variable rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. A change of 100 basis points in interest rates for variable rate instruments at the reporting date would have increased/(decreased) profit or loss for the below years by the amounts shown below. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lakh)

Particulars	As at 31-Mar-25	As at 31-Mar-24
Increase/ decrease in 100 basis point	**572.28**	557.42

c) Investment Risk

The company does not actively trade equity investments. Equity investments are mainly held for strategic rather than trading purposes.

ii) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks.

The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by letters of credit.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date and the provisions are made for doubtful debts. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

The following is the detail of revenues generated from top five customers of the company and allowance for lifetime expected credit loss:

Particulars	As at 31-Mar-25	As at 31-Mar-24
(a) Revenue from top five customers		
- Amount of sales	**24,931.64**	26221.29
- % of Total sales	**14.51**	16.79
(b) Provision for doubtful debt		
- Balance at the beginning of the period	**0.00**	0.00
- Recognized during the year	**0.00**	0.00
- Balance at the end of the period	**0.00**	0.00

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables as disclosed at Note 11.

Write off policy

The financials assets are written off in case there is no reasonable expectation of recovering from the financial asset.

(iii) **Liquidity Risk**

The financial liabilities of the company include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool.

The company plans to maintain sufficient cash to meet the obligations as and when fall due.

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:

Particulars	As at 31-Mar-25	As at 31-Mar-24
Borrowings		
0-1 years	**2386.74**	2472.33
2-3 years	**4005.25**	4541.98
4-5 years	**3546.53**	3850.27
More than 5 years	**2546.49**	4106.57
Trade Payables		
0-1 years	**6622.16**	8601.33
2-3 years	**48.20**	96.16
3-5 years	**0.37**	1.25
More than 5 years	**0.00**	0.00
Other Financial liabilities		
0-1 years	**141.68**	110.85
2-3 years	**0.00**	0.00
3-5 years	**0.00**	0.00
More than 5 years	**0.00**	0.00

46 Capital Management & Gearing Ratio

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by Total capital . The Company's gearing ratio was as follows:

(₹ in lakh)

Particulars	Financial Year ended 31.03.2025	Financial Year ended 31.03.2024
Borrowings	**48724.08**	53256.50
Less: Cash and cash equivalents	**348.00**	649.98
Net debt	**48376.08**	52606.52
Total equity	**48213.46**	45890.94
Gearing ratio (Net Debt to Equity)	**1.00**	1.15

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year ended 31st March 2025.

There were no changes in the objectives, policies or processes for managing capital during the year ended 31 March 2025(31 March 2024).

47 **Assets pledged as Security:-**

The Carrying amount of assets pledged as security for current and non-current borrowings are :-

	As at 31st March 2025	As at 31st March 2024
Current Assets		
Financial Assets		
Trade receivables	**16,974.13**	19,769.64
Non-Financial Assets		
Inventory	**36,968.09**	40,100.87
Total Current Assets Pledged as Security	**53,942.22**	59,870.51
Non Current Assets		
Property, Plant & Equipment	**38,962.35**	40,503.25
Total Non Current Assets Pledged as Security	**38,962.35**	40,503.25
Total Assets Pledged as Security	**92,904.57**	100,373.76

48 GST ITC and Output Liability are considered in the books w.r.t the purchases/inputs services and sales/output services made during the year. The difference if any at the time of GST audit or any other development /information would be provided in the year in which such difference are known/materialised.

49 The company has borrowings from bank on the basis of security of current assets.The quarterly returns or statements filled by the company with such banks are in agreement with the books of accounts of the company except as follows:

(₹ in lakh)

	Stock	Book Debt	Creditors
Quarter Ended 30/6/2024			
Value as per books of account	29534.40	19090.89	4310.44
Value as per quarterly statement	28812.62	19009.40	3626.97
Difference	-721.78 *	-81.49 **	-683.47 **
Quarter Ended 30/9/2024			
Value as per books of account	28485.85	18777.18	4502.99
Value as per quarterly statement	27100.11	19816.29	4314.91
Difference	-1385.74 *	1039.11 **	-188.08 **
Quarter Ended 31/12/2024			
Value as per books of account	34404.18	20080.70	8660.39
Value as per quarterly statement	32567.19	20910.68	7751.43
Difference	-1836.99 *	829.98 **	-908.96 **
Quarter Ended 31/03/2025			
Value as per books of account	36968.09	16974.13	6670.72
Value as per quarterly statement	37056.48	18251.85	9172.13
Difference	88.39 *	1277.72 **	2501.41 **

***** Monthly Drawing power/stock statement are submitted to bank by 7th of next month. The stocks are valued on estimated basis. The value of stock as per books of accounts are calculated after submission of monthly G.S.T. Returns i.e. by 15th of next month, hence the differences.

****** Monthly Drawing power/Book debts statement are submitted to bank by 7th of next month. The bank statements are reconciled with books afterwards i.e. by 15th of next month taking into account Cheque Returned /payment returned /received, hence the difference.

50 Ratios

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024

Particulars	Numerator	Denominator	As at 31st March 2025	As at 31st March 2024	VARIANCE %
Current Ratio	Current assets	Current liabilities	1.39	1.35	**2.96**
Debt - Equity Ratio	Total Debt	Shareholder's Equity	1.01	1.16	**(12.93)**
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	1.40	0.58	**141.38(*1)**
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	0.05	(0.06)	**183.33(*1)**
Inventory Turnover	Cost of Goods sold	Average Inventory	4.20	3.95	**6.33**
Trade receivables turnover ratio	Revenue	Average Trade Receivable	9.37	8.38	**11.81**
Trade payables turnover ratio	Purchases	Average Trade Payables	15.53	18.53	**(16.19)**
Net capital turnover ratio	Revenue	Working Capital	9.66	9.13	**5.81**
Net profit ratio	Net Profits after taxes	Revenue	1.22	(1.68)	**172.62(*1)**
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	7.72	2.35	**228.51(*1)**
Return on Investment(ROI)					
Unquoted	Income generated from investments	Time weighted average investments	3.48	25.23	**-86.21(*2)**
Quoted	Income generated from investments	Time weighted average investments	(27.06)	132.94	**-120.36(*3)**

(*1) -Due to better profits this year, the, the ratios have improved more than 25% over the previous year.

(*2) -Lower realisable value of unquoted investments at the year end has resulted decrease in the ratio more than 25% over the previous year.

(*3) -Lower market value of quoted investment at the year end has resulted decrease in the ratio more than 25% over the previous year.

51 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act.

(₹ in lakh)

		As at 31st March 2025	As at 31st March 2024
i) Amount required to be spent by the company during the year (Net of excess paid in last fy)		171.77	181.14
ii) Amount of expenditure incurred	:	205.47	191.69
iii) Shortfall at the end of the year	:	Nil	Nil
iv Total of previous years shortfall	:	Nil	Nil
v) Reason for shortfall	:	N.A	N.A
vi) Surplus at the end of the year	:	33.70	10.55
vii) Nature of CSR activities	:	Promoting preventive health care & employment enhancing vocational skills	
viii) Details of related party transactions, e.g.,contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	:	Nil	Nil
ix) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	:	N.A	N.A

The said amount stands debited to the Corporate Social Responsibility" under the head "other expenses".

The amounts expended are as follows:		
(i) Construction / acquisition of any asset	Nil	Nil
(ii) For purposes other than (i) above	205.47	191.69

52 The code on Social Security 2020

The Code on Social Security 2020 (Code) relating to employee benefits during employment and post employment has been notified in the official Gazette on 29th Sept, 2020. The draft rules have been released on Nov 13, 2020 and suggestions invited from stakeholders are under consideration by the Ministry. The impact of change will be assessed and accounted in the period in which the said rules are notified for implementation.

53 Audit Trail

The Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software except that the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes in the excel sheets used for maintaining payroll register, property plant & equipment register, cost records, stock register & consolidation process. Further,the audit trail (edit log) facility has not been tempered with and has been preserved as per the statutory requirements for record retention.

54 There were no significant adjusting events after the reporting period that needs disclosure.

55 Figures for the previous periods are re-classified / re-arranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure. Figures in bracket indicate deductions.

For and on behalf of the Board of Directors

FOR KAMBOJ MALHOTRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 015848N

Sanjiv Garg
Mg.Director
(DIN No. 00217156)

Rajiv Garg
Mg.Director
(DIN No.00444558)

C.A. AMARJIT KAMBOJ
PARTNER
Membership No. 082152

Place : Ludhiana
Dated : 30-05-2025

Ramandeep Singh
Chief Financial Officer

Priya Rani
Company Secretary

KAMBOJ MALHOTRA & ASSOCIATES
CHARTERED ACCOUNTANTS

B - XX- 2815, IInd Floor, Gurudev Nagar,
Pakhowal Road, Ludhiana (PB) - 141001
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INDEPENDENT AUDITORS' REPORT

To the Members of
GARG ACRYLICS LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of GARG ACRYLICS LIMITED (the holding Company) and its subsidiary (collectively referred as "the Group"),which comprise the consolidated Balance Sheet as at 31st March, 2025, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year ended on that date and a summary of significant accounting policies and other explanatory information (herein after referred to as "consolidated financial statements").

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

Basis for Opinion

We conducted our audit of the consolidated Ind AS 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

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

Key Audit Matter	Auditor's Response
Going concern assumption, financing and covenants	
The availability of sufficient funding and the testing of whether the company will be able to continue meeting its obligations under the financing covenants are important for the going concern assumption and, as such, are significant aspects of our audit. This test or assessment is largely based on the expectations of and the estimates made by management. The expectations and estimates can be influenced by subjective elements such as estimated future cash flows, forecasted results and margins from operations. Estimates are based on assumptions, including expectations regarding future developments in the economy and the market.	We have used our own internal experts in evaluating the assumptions and forecasts made by management. We have specifically devoted attention to the assumptions made with respect to the future value added, the results and the cash flows in order to assess the company's ability to continue meeting its payment obligations and its obligations under the financing covenants in the year ahead. For notes on the Financial Risk Management & Capital Management see note no. 44 & 45 of financial statements respectively.

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

The Company’s Board of Directors/ Management are 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 auditors’ report thereon) , which is expected to be made available to us after that date.

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

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

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

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated Changes in Equity of the Group in accordance with the Indian Accounting Standards (“Ind AS”) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. The respective management of the company/firm included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective management of the company/firm included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective management of the company/firm included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for Audit of the Consolidated Financial Statements

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

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

i) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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

Other Matters

We did not audit the financial statements/financial information of the subsidiary, whose financial statements/financial information reflect total assets of Rs. 126.40 Lacs as at 31st March, 2025, total comprehensive income of Rs. 0.01 Lacs, and net cash inflow amounting to Rs. 0.01 Lacs for the year ended 31st March, 2025 as considered in the consolidated financial statements. These financial statements/financial information certified by the Management have been furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and the disclosures included in respect of the subsidiary and our report in terms of sub sections (3) and (11) of Section 143 of Act, insofar as it relates to the aforesaid subsidiary, is based solely on such reports of the management.

Our opinion on the consolidated financial statements, and our report on the other legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the management certified reports.

Report on Other Legal and Regulatory Requirements

1 As required by section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account, as required by law, relating to preparation of the aforesaid consolidated financial statements have been kept by the Company, so far as it appears from our examination of those books, except for not complying with the requirement of audit trail to the extent stated in i) (vi) below.

c) The consolidated Balance Sheet, the consolidated statement of Profit and Loss, the consolidated Cash Flow and consolidated statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules 2015 as amended.

e) On the basis of written representations received from the directors of the Holding Company as on 31st March, 2025, taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Group & the operating effectiveness of such controls, refer to our separate report in "Annexure-A".

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i) 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 Consolidated Financial Statements. Refer Note 35 to the Consolidated Financial Statements.

   ii) the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

   iv) a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   b) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c) Based on audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the above representations under sub-clause (a) and (b) given by the management contain any material mis-statement.

   v) No dividend was declared or paid during the year.

   vi) Based on our examination which included test check, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software except that the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes in the excel sheets used for maintaining payroll register, property plant & equipment register, cost records, stock register & consolidation process.

   Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with and has been preserved as per the statutory requirements for the record rention.

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For KAMBOJ MALHOTRA & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No. 015848N)

CA AMARJIT KAMBOJ

PARTNER
Membership No. 082152
UDIN : 25082152BMLXXV6645

Place: Ludhiana
Dated: 30-05-2025

Annexure-A to Auditors' Report

Garg Acrylics Limited- Financial Year ended 31-03-2025

Referred to in paragraph 1 (g) under the heading of "Report on other legal and Regulatory requirements" of our report of even date.

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

The Report hereunder on internal financial control is based on the audit of internal financial control of the holding company as neither any report on internal financial control has been received from subsidiary nor the same is applicable to it.

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2025, we have audited the internal financial controls over financial reporting of GARG ACRYLICS LIMITED (the Holding Company) as of that date.

Management's Responsibility for the Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the guidance note on audit of internal financial control over financial reporting issued by the Institute of Chartered Accountant of India (ICAI). These responsibilities includes the design, implementation and maintance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance Note on Audit of internal financial controls over financial reporting ("the Guidance Note") and standards on Auditing, issued by ICAI and deemed to be prescribed under Section143 (10) of the Companies Act, 2013 ("the Act") to the extent applicable to an audit of Internal financial controls, both applicable to an audit of internal financial controls and both issued by Institute of Chartered Accountants of India. Those Standards and 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 internal financial controls system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting including 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 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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial controls 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 maintance 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 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 to be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to risk that the internal financial controls 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, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2025, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the guidance note on Audit of internal financial control over financial reporting issued by the Institute of Chartered Accountant of India (ICAI).

For KAMBOJ MALHOTRA & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No. 015848N)

CA AMARJIT KAMBOJ
PARTNER
Membership No. 082152
UDIN : 25082152BMLXXV6645

Place: Ludhiana
Dated: 30-05-2025

GARG ACRYLICS LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2025

(₹ in lakh)

Particulars	Note No.	As at 31st March 2025	As at 31st March 2024
Assets			
1. Non-current assets			
(a) Property, Plant and Equipment	3	38962.35	40503.25
(b) Capital work-in-progress	4	0.00	233.69
(c) Intangible Assets	5	3.06	4.36
(d) Financial Assets			
- Investments	6	244.14	170.14
- Other financial assets	7	975.35	51.96
(e) Other Non Current assets	8	466.54	697.65
Total Non-current assets		40651.44	41661.05
2. Current assets			
(a) Inventories	9	36968.09	40100.87
(b) Financial Assets			
- Trade receivables	10	17099.82	19895.33
- Cash and cash equivalents	11	137.54	91.38
- Bank Balance other than above	12	211.16	559.29
- Other financial assets	13	42.56	433.07
(c) Other current assets	14	10580.19	7300.14
Total Current assets		65039.36	68380.07
Total Assets		105690.80	110041.12
Equity and Liabilities			
Equity			
(a) Equity Share capital	15	664.28	664.28
(b) Other Equity	16	47549.16	45226.64
(c) Non-controlling interests		0.30	0.30
Total Equity		48213.74	45891.22
Liabilities			
1. Non-current liabilities			
(a) Financial Liabilities			
- Borrowings	17	10098.27	12498.82
(b) Provisions	18	378.01	441.06
(c) Deferred tax liabilities (Net)	19	109.07	402.66
Total Non-current liabilities		10585.35	13342.54
2. Current liabilities			
(a) Financial Liabilities			
- Borrowings	20	38625.81	40757.68
- Trade payables			
(a) Total outstanding dues of Micro and Small Enterprises	21(a)	125.16	1128.36
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	21(b)	6545.57	7570.39
- Other financial liabilities	22	141.68	110.85
(b) Other current liabilities	23	1283.46	1048.80
(c) Provisions	24	170.02	191.28
Total Current liabilities		46891.70	50807.36
Total Equity and Liabilities		105690.80	110041.12
The accompanying notes are integral part of these financial statements	1 to 56		

Subject to our separate Report of even date

For and on behalf of the Board of Directors

FOR KAMBOJ MALHOTRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 015848N

Sanjiv Garg
Mg.Director
(DIN No. 00217156)

Rajiv Garg
Mg.Director
(DIN No.00444558)

C.A. AMARJIT KAMBOJ
PARTNER
Membership No. 082152

Place : Ludhiana
Dated : 30-05-2025

Ramandeep Singh
Chief Financial Officer

Priya Rani
Company Secretary

GARG ACRYLICS LIMITED

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

(₹ in lakh except EPS)

	Particulars	Note No.	As at 31st March 2025	As at 31st March 2024
I.	Revenue from operations	25	175369.82	160514.11
II.	Other income	26	225.48	227.28
III.	Total Income (I+II)		175595.30	160741.39
IV.	Expenses :			
	Cost of materials consumed	27	123570.73	113388.99
	Purchases of stock-in-trade	28	341.94	490.34
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	-1176.13	2921.22
	Employee benefits expense	30	11731.72	10501.78
	Finance costs	31	5731.08	4784.19
	Depreciation and amortization expense	3,5	3670.63	2980.77
	Other expenses	32	29959.90	28122.46
	Total Expenses		173829.86	163189.78
	Profit(Loss) before exceptional items and tax (III-IV)		1765.44	(2448.39)
V.	Exceptional Items	33	13.72	56.90
VI.	Profit(Loss) after exceptional items and before tax (V+VI)		1779.16	(2391.49)
VII.	Tax expense:	41		
	(1) Current tax		0.00	0.00
VIII.	(2) Deferred tax		(354.95)	309.45
	(3) Prior Year Tax Provisions		(5.92)	(8.01)
	Profit(Loss) for the year (VII-VIII)		2140.03	(2692.93)
IX	Other Comprehensive Income	43(f)		
	A (i) Items that will not be reclassified to profit or loss			
X	- Remeasurements of the defined benefit plans		243.87	175.00
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(61.38)	(44.04)
	B (i) Items that will be reclassified to profit or loss		0.00	0.00
	(ii) Income tax relating to items that will be reclassified to profit or loss		0.00	0.00
	Total Comprehensive Income for the year (IX+X)		2322.52	(2561.98)
XI	**Profit Attributable to:**			
	- Owners of the parent		2140.03	(2692.93)
	- Non Controlling interest		0.00	0.00
			2140.03	(2692.93)
	Other Comprehensive Income Attributable to:			
	- Owners of the parent		182.49	130.95
	- Non Controlling interest		0.00	0.00
			182.49	130.95
	Total Comprehensive Income Attributable to:			
	- Owners of the parent		2322.52	(2561.98)
	- Non Controlling interest		0.00	0.00
			2322.52	(2561.98)
	Earnings per equity share	38		
	Basic - Par value of Rs.10 per share		32.22	(40.54)
	Diluted - Par value of Rs.10 per share		32.22	(40.54)
	The accompanying notes are integral part of these financial statements	1 to 56		

Subject to our separate Report of even date

For and on behalf of the Board of Directors

FOR KAMBOJ MALHOTRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 015848N

Sanjiv Garg
Mg.Director
(DIN No. 00217156)

Rajiv Garg
Mg.Director
(DIN No.00444558)

C.A. AMARJIT KAMBOJ
PARTNER
Membership No. 082152

Place : Ludhiana
Dated : 30-05-2025

Ramandeep Singh
Chief Financial Officer

Priya Rani
Company Secretary

GARG ACRYLICS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025 (₹ in lakh)

	For the year ended 31st March 2025	For the year ended 31st March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	1779.16	-2391.49
Adjustments for :		
Depreciation and amortisation	3670.63	2980.78
Interest expense	5361.10	4485.86
Fair Valuation Gain(-)Loss(+) on Investment	-4.00	-23.39
Deferrred Revenue on Capital Subsidy	-1.78	-2.11
Interest income	-215.15	-201.52
Profit(-)/Loss(+) on sale of Assets(Net)	-13.72	-56.90
Gratuity Provision	-84.32	1.52
Gratuity-Other Comprehensive income	243.87	175.00
Operating Profit before working capital changes	10735.79	4967.75
Adjustments for Changes in Working capital:		
Increase(-)/Decrease(+) in Trade and other Receivables	-786.32	-1520.19
Increase(-)/Decrease(+) in Inventories	3132.79	-3038.86
Increase(+)/(Decrease)(-) in Trade Payables and other Liabilities	-1760.75	4183.90
Cash generated from Operations	11321.50	4592.60
Net income tax paid	5.92	8.01
Net Cash flow from(+)/used in(-) Operating Activities	11327.42	4600.61
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-1898.05	-13500.11
Proceeds from sale of Fixed Assets	17.03	87.00
Purchase of Investments	-70.00	-75.00
Interest income	215.15	201.52
Increase(-)/Decrease(+) in Investments	-1735.87	-13286.59
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds(+)/Repayment(-) from Long Term Borrowings (Net)	-2400.54	6983.56
Proceeds(+)/Repayment(-) from Short Term Borrowings (Net)	-2131.88	6337.60
Interest Paid	-5361.11	-4476.01
Net Cash flow from(+)/used in(-) Financing Activities	-9893.52	8845.15
Net Increase in cash and cash equivalents	-301.98	159.17
Cash and cash equivalents at the beginning of the year	650.67	491.51
Cash and cash equivalents at the end of the year	348.70	650.67
Cash and Cash Equivalent include:-		
Cash In hand	133.14	89.41
In Current Accounts	4.40	1.97
In Deposits Accounts	211.16	559.29
Total	348.70	650.67

The accompanying notes are integral part of these financial statements **1 to 56**

FOR KAMBOJ MALHOTRA & ASSOCIATES
Chartered Accountants

For and on behalf of the Board of Directors

Sanjiv Garg
Mg.Director
(DIN No. 00217156)

Rajiv Garg
Mg.Director
(DIN No.00444558

C.A. AMARJIT KAMBOJ
PARTNER
Membership No. 082152

Place : Ludhiana
Dated : 30-05-2025

Ramandeep Singh
Chief Financial Officer

Priya Rani
Company Secretary

GARG ACRYLICS LIMITED

Consolidated Statement of Changes in Equity

(₹ in lakh exept numbers)

Particulars	As at 31st March 2025 Number	As at 31st March 2025 Amount	As at 31st March 2024 Number	As at 31st March 2024 Amount
Equity Share Capital				
Balance at the beginning of reporting period	**6642800**	**664.28**	6642800	664.28
Changes in Equity Share Capital due to prior period errors	**0**	**0.00**	0	0.00
Restated Balance at the beginning of the current reporting period	**6642800**	**664.28**	6642800	664.28
Changes in equity share capital during reporting period	**0**	**0.00**	0	0.00
Balance at the end of reporting period	**6642800**	**664.28**	6642800	664.28

Other Equity

Particulars	Reserves & Surplus					Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	items of other comprehensive income	
Balance as at 01 April 2024	7636.57	7575.12	27450.89	2000.00	564.05	45226.64
Changes in Accounting policy or prior period errors	0.00	0.00	0.00	0.00		0.00
Restated balances at the beginning of the current year	7636.57	7575.12	27450.89	2000.00	564.05	45226.64
Total Comprehensive income for the year	0.00	0.00	2140.03	0.00	182.49	2322.52
Transfer to General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March 2025	**7636.57**	**7575.12**	**29590.92**	**2000.00**	**746.54**	**47549.16**
Balance as at 01 April 2023	7636.57	7575.12	30143.83	2000.00	433.10	47788.61
Changes in Accounting policy or prior period errors	0.00	0.00	0.00	0.00		0.00
Restated balances at the beginning of the current year	7636.57	7575.12	30143.83	2000.00	433.10	47788.61
Total Comprehensive income for the year	0.00	0.00	(2692.93)	0.00	130.95	(2561.98)
Transfer to General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March 2024	**7636.57**	**7575.12**	**27450.89**	**2000.00**	**564.05**	**45226.64**

The accompanying notes are integral part of these financial statements 1 to 56

Subject to our separate Report of even date

For and on behalf of the Board of Directors

FOR KAMBOJ MALHOTRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 015848N

Sanjiv Garg
Mg.Director
(DIN No. 00217156)

Rajiv Garg
Mg.Director
(DIN No.00444558)

C.A. AMARJIT KAMBOJ
PARTNER
Membership No. 082152

Place : Ludhiana
Dated : 30-05-2025

Ramandeep Singh
Chief Financial Officer

Priya Rani
Company Secretary

NOTES

forming part of Consolidated Financial statements for the year ended March 31, 2025

1. CORPORATE INFORMATION

Garg Acrylics Limited is a Public Limited Company incorporated in India.The Registered Office of the Company is located at A-50/1, Wazirpur Industrial Area, Delhi-110052. The Company is listed on Metropolitan Stock Exchange of India. The Company is engaged in the manufacturing of Synthetic & Cotton Yarn and readymade garments. (The Holding Company). Garg International is a partnership firm formed under the Indian Partnership Act, 1932. The firm is engaged in trading of textile products (the Subsidiary) both collectively referred as " The Group".

2. MATERIAL ACCOUNTING POLICIES :

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended and other relevant provisions of the Act.

Basis of preparation of financial statements

The financial statements have been prepared on accrual basis and in accordance with historical cost convention except for certain financial instruments and defined benefits plans which are measured at fair value or amortized cost at the end of each reporting period. The accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Principles of Consolidation

In accordance with Ind AS 101, the company has elected to apply Ind AS accounting for business combinations prospectively from 1st April 2016. Accordingly, balances relating to business combinations entered into before that date as per Indian GAAP have been carried forward.

Investment in Subsidiaries

Subsidiaries are all entities over which the group has control. The company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The company combines the financial statements of its subsidiaries on line by line basis adding together like items of assets, liabilities, equity, income and expenses.

Group transactions, balances and unrealised gains on transactions between group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results of subsidiaries are shown separately in the consolidated statement of profit and loss and balance sheet respectively.

(c) Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

(d) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable. The amount disclosed as revenue is net of returns, trade discounts, goods & service tax and amount collected on behalf of third parties.

The company recognizes revenue when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity.

(i) Sales of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer and the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

(ii) Export Incentives

Revenue in respect of the export incentives is recognized on post export basis.

(iii) Insurance and Other Claims

Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection/settlement thereof.

(e) Goods & Service Tax (G.S.T)

G.S.T. in respect of goods manufactured by the company is accounted for at the time of removal of goods from factory for sale.

(f) Employees Benefits

(i) Short term Employee Benefits :

Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

(ii) Post Employment Benefits

(a) Defined Contribution Plans:

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

(b) Defined Benefit Plans

Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Remeasurements comprising of actuarial gains and losses are recognised in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods.

(g) Property, Plant and Equipment

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 and hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of Property, plant and equipment are stated at cost, less accumulated depreciation. The Cost of an item of Property, Plant and Equipment comprises:

(a) its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates.

(b) any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use.

Depreciation is provided on straight line method on the basis of useful lives of such assets specified in Schedule II to the Companies Act, 2013. Further, significant components of assets identified pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated over their useful life based on the technical evaluation done by the management.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Derecognition

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipments is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

(h) Intangible Assets

Intangible assets are stated at cost less accumulated amount of amortization.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, etc. The amortization method and useful lives are reviewed periodically at end of each financial year.

(i) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Net realisable value represents the estimated selling prices less all estimated cost of completion and selling expenses. The cost in respect of the various items of inventory is computed as under:

In case of Raw Materials and Stores & Spares at weighted average cost. The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

In case of Work in Progress & Finished Goods at weighted average material cost plus conversion costs depending upon the stage of completion.

In case of Waste at Net Realizable Value.

In case of Goods in transit at cost plus expenses incurred up to their present condition and location.

(j) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as part of the cost of such assets. Qualifying assets is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(k) Earnings per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(l) Income Taxes

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that items recognized directly in equity or other comprehensive income, in which case it is also recognized in equity or other comprehensive income respectively.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets and liabilities are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(m) Government Grants

The government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in the statement of profit and loss on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate.

(n) Foreign Currency Transactions

(i) Functional and Presentation currency

The functional currency of the company is Indian rupee. These financial statements are presented in Indian rupee.

(ii) Transaction and balances

The foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise.

Foreign exchange differences recorded as an adjustment to borrowing costs are presented in the statement of profit and loss, as a part of finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.

(o) Financial instruments

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

(i) Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss. Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

(ii) Subsequent measurement

(a) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

(d) Investments

The Company has adopted to measure investments in Equity Shares at cost in accordance with Ind AS 27 and carrying amount as per previous GAAP at the date of transition has been considered as deemed cost in accordance with Ind AS 101.

(e) Financial liabilities

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

(iii) Derecognition of financial instruments

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

(iv) Fair value measurement of financial instruments

The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

(p) Impairment of assets

a. Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

b. Non-financial assets

Intangible assets and property, plant and equipment

The carrying amount of the assets is reviewed at each balance sheet date. If there is any indication of impairment based on internal and external factors, an impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

(q) Provisions

A provision shall be recognised when:

(a) an entity has a present obligation as a result of a past event;

(b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(c) 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 a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(r) Operating Cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Accordingly all assets and liabilities have been classified as current or non current as per Company's operating cycle and other criteria set out in Ind AS ' Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

(s) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it

- expected to be realised or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- 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 current when: -

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting period, or
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- it is due to be settled within twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(t) Exceptional items

Exceptional items are disclosed separately in the financial statements wherein it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to their nature or incidence.

3 Property, Plant and Equipment

(₹ in lakh)

Particulars	Original Cost				Depreciation and Amortization				Net Block	
	Balance as at 1st April, 2024	**Additions**	**Disposals**	**Balance as at 31st March, 2025**	**Balance as at 1st April, 2024**	**Depreciation/ amortisation expense for the year**	**Eliminated on disposal of assets**	**Balance as at 31st March, 2025**	**Balance as at 31st March, 2025**	**Balance as at 31st March,2024**
Tangible Assets:										
Free-hold Land	3161.00	72.10	0.00	**3233.10**	0.00	0.00	0.00	**0.00**	**3233.10**	3161.00
Buildings	21709.43	377.26	0.00	**22086.69**	7470.92	667.13	0.00	**8138.05**	**13948.63**	14238.50
Plant and Equipment	96623.60	1663.24	66.24	**98220.60**	74328.40	2862.03	62.93	**77127.50**	**21093.10**	22295.20
Vehicles	1161.27	0.00	0.00	**1161.27**	460.64	118.77	0.00	**579.41**	**581.87**	700.64
Office equipment	270.21	14.35	0.00	**284.56**	238.77	9.75	0.00	**248.52**	**36.04**	31.44
Furniture and Fixtures	267.09	4.79	0.00	**271.88**	190.61	11.65	0.00	**202.26**	**69.62**	76.48
Total	123192.60	2131.74	66.24	125258.10	82689.34	3669.33	62.93	86295.75#	38962.35	40503.25

(₹ in lakh)

Particulars	Original Cost				Depreciation and Amortization				Net Block	
	Balance as at 1st April, 2023	**Additions**	**Disposals**	**Balance as at 31st March, 2024**	**Balance as at 1st April, 2023**	**Depreciation/ amortisation expense for the year**	**Eliminated on disposal of assets**	**Balance as at 31st March, 2024**	**Balance as at 31st March, 2024**	**Balance as at 31st March,2023**
Tangible Assets:										
Free-hold Land	3027.53	133.47	0.00	3161.00	0.00	0.00	0.00	0.00	3161.00	3027.53
Buildings	19888.61	1820.82	0.00	21709.43	6859.03	611.89	0.00	7470.92	14238.50	13029.58
Plant and Equipment	82487.21	14237.55	101.17	96623.60	72178.65	2245.85	96.11	74328.40	22295.20	10308.56
Vehicles	963.02	304.70	106.45	1161.27	443.45	98.60	81.41	460.64	700.64	519.57
Office equipment	259.88	10.33	0.00	270.21	229.68	9.09	0.00	238.77	31.44	30.19
Furniture and Fixtures	260.25	6.83	0.00	267.09	177.06	13.55	0.00	190.61	76.48	83.19
Total	106886.51	16513.71	207.62	123192.60	79887.89	2978.98	177.52	82689.34	**40503.25**	26998.62

(₹ in lakh)

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
4 Capital Work in Progress		
Balance at the beginning	233.69	3248.56
Additions	1806.81	13043.50
Less: Capitalised during the year	2040.50	16058.37
Balance at the year end	0.00	233.69

Capital work in progress ageing schedule as at March 31,2025

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	0.00	0.00	0.00	0.00	0.00
Projects temporarily suspended	Nil	Nil	Nil	Nil	Nil
	0.00	0.00	0.00	0.00	0.00

Capital work in progress ageing schedule as at March 31,2024

Capital Work in Progress	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	233.69	0.00	0.00	0.00	233.69
Projects temporarily suspended	Nil	Nil	Nil	Nil	Nil
	233.69	0.00	0.00	0.00	233.69

5 Intangible Assets

(₹ in lakh)

Particulars	Original Cost: Balance as at 1st April, 2024	Additions	Disposals	Balance as at 31st March, 2025	Depreciation and Amortization: Balance as at 1st April, 2024	Depreciation/ Amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31st March, 2025	Net Block: Balance as at 31st March, 2025	Balance as at 31st March,2024
Intangible Assets										
Computer Softwares	14.27	0.00	0.00	**14.27**	9.90	1.30	0.00	**11.20**	**3.06**	4.36
Total	14.27	0.00	0.00	14.27	9.90	1.30	0.00	11.20	3.06	4.36

(₹ in lakh)

Particulars	Original Cost: Balance as at 1st April, 2023	Additions	Disposals	Balance as at 31st March, 2024	Depreciation and Amortization: Balance as at 1st April, 2023	Depreciation/ Amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31st March, 2024	Net Block: Balance as at 31st March, 2024	Balance as at 31st March,2023
Intangible Assets										
Computer Softwares	12.99	1.28	0.00	14.27	8.11	1.79	0.00	9.90	4.36	4.88
Total	12.99	1.28	0.00	14.27	8.11	1.79	0.00	9.90	4.36	4.88

Intangible Assets are not internally generated.

6 Investments (Non Current)

(₹ in lakh)

Particulars		As at 31st March 2025	As at 31st March 2024
Financial Assets at FVTPL			
(i) Investment In Equity Instruments (Unquoted)			
15,000 Equity Shares of Rs. 10/- each fully paid up of DPG Textiles Limited		6.46	5.25
(ii) Investment in Equity Instruments (Quoted)		0.09	0.12
196 Equity Shares of Rs. 10/- each fully paid up of Punjab & Sind Bank			
(iii) Investment in Mutual Funds (Unquoted)			
Axis Small Cap Fund	41043.488 Units (Prev. Year 27866.475 Units)	45.18	27.35
Kotak Emerging Equity Fund	34039.686 Units (Prev. Year 23497.504 Units)	46.41	27.50
Nippon India Small Cap Fund	25948.63 Units (Prev. Year 17792.072 Units)	43.00	27.47
Nuvama Crossover Opportunities Fund-Series III B-Collection Account	646184.948 Units (Prev. Year 545302.184 Units)	59.89	56.28
Pgim India Midcap Opportunities Fund	64288.924 Units (Prev. Year 42692.103 Units)	43.11	26.18
Total		244.14	170.14
Agreegate amount of Quoted Investments		0.09	0.12
Market Value of Quoted Investments		0.09	0.12
Agreegate amount of Unquoted Investments		244.05	170.03
Agreegate amount of impairement in value of Investments		0.00	0.00

7 Other Financial Assets (Non Current)

Particulars	As at 31st March 2025	As at 31st March 2024
Financial assets at amortized cost		
Fixed Deposits with banks having more than twelve months maturity (refer note 12)	943.93	50.99
Interest Receivable on above FDR	31.42	0.98
Total	975.35	51.96

8 Other Non Current Assets

Particulars	As at 31st March 2025	As at 31st March 2024
Capital Advances against Building & Machinery	466.54	697.65
Total	466.54	697.65

9 Inventories

Particulars	As at 31st March 2025	As at 31st March 2024
At cost or net realisable value, whichever is lower		
Raw materials	19370.48	23943.30
Work-in-progress	4568.50	3966.89
Finished Goods	12130.27	11555.75
Stores, Spares & Packing Material	898.82	634.93
Total	36968.09	40100.87

10 Trade receivables

Particulars	As at 31st March 2025	As at 31st March 2024
Unsecured, considered good		
Receivable from related parties	22.64	0.00
Receivable from others	17077.18	19895.33
Doubtful	0.00	0.00
Total	17099.82	19895.33
Ageing for Trade Receivables		
Undisputed Trade receivables considered good		
Not due	10831.02	12507.89
Less than 6 months	4733.08	5312.27
6 months to 1 year	154.29	586.68
1-2 years	211.88	423.58
2-3 years	154.03	342.96
More than 3 years	1015.53	721.96
	17099.82	19895.33

11 Cash and cash equivalents

(₹ in lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
a) Balances with banks		
- In current accounts	4.40	1.97
b) Cash on hand	133.14	89.41
Total	137.54	91.38

12 Bank Balances other than Cash and cash equivalents

Particulars	As at 31st March 2025	As at 31st March 2024
Other bank balances		
- Fixed Deposits with more than twelve months maturity held as margin money - Rs 769.10 lacs (Prev. Year 50.98 Lacs)	943.93	50.99
- Fixed Deposits with less than twelve months maturity including Deposits held as margin money - Rs 51.00 lacs (Prev.Year 100.00 lacs)	211.16	559.29
Sub-Total	1155.09	610.27
Less: Amounts disclosed as other financial assets (non current)(refer note 7)	943.93	50.99
Total	211.16	559.29

13 Other financial assets (Current)

Particulars	As at 31st March 2025	As at 31st March 2024
Financial assets at amortized cost		
Interest receivables	3.83	41.84
Other Receivables	38.73	391.23
Total	42.56	433.07

14 Other Current Assets

Particulars	As at 31st March 2025	As at 31st March 2024
(unsecured considered good, unless otherwise stated)		
Advances to suppliers	3415.11	911.07
Balance with government authorities	4963.97	5450.80
Prepaid expenses	173.44	128.42
Other Recoverables	2027.67	809.85
Total	10580.19	7300.14

15 SHARE CAPITAL

(₹ in lakh exept numbers)

Particulars	As at 31st March 2025		As at 31st March 2024	
	Number	Amount	Number	Amount
Authorised				
Equity shares of Rs. 10/- each (par value)	21200000	2120.00	6900000	690.00
6% Non-Cumulative Redeemable Preference Shares of 10/- each	10000000	1000.00	24300000	2430.00
Total	31200000	3120.00	31200000	3120.00
Issued, subscribed and fully paid-up				
i) Equity shares of Rs. 10/- each	6642800	664.28	6642800	664.28

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period :

	As at 31st March 2025		As at 31st March 2024	
	Number	Amount	Number	Amount
Equity shares				
At the beginning of the reporting period	6642800	664.28	6642800	664.28
Add: Shares Issued during the reporting period	0	0.00	0	0.00
Outstanding at the end of the reporting period	6642800	664.28	6642800	664.28

b) Rights, preferences and restrictions attached to equity shares

The company's equity shares are having par value of Re.10/- per share. Each holder of equity share is entitled to one vote per share. The dividend distribution (if any) will be in proportion to the number of equity shares held by the shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Detail of Equity Shareholding of the Promoters

	As at 31st March 2025		% of change During the year
	Number	% shareholding	
Sanjiv Garg	374400	5.64	0%
Sanjiv Garg & Sons (HUF)	800	0.01	0%
D.P Garg & Sons (HUF)	133440	2.01	0%
Renu Garg	424800	6.39	0.45%
Neelu Garg	56800	0.86	0%
Ujjwal Garg	40800	0.61	0%
Rajiv Garg	330400	4.97	0%
Rajiv Garg & Sons (HUF)	800	0.01	0%
Toshak Garg	56800	0.86	0%
Shubham Yarns Private Limited	1497520	22.54	0%
Gal Cottex Private Limited	1063920	16.02	0%
Pushpa Yarns Private Limited	25600	0.39	0%
DPG Textiles Limited	92640	1.39	0%
Arun Nanda	80	0.00	0%
Vimal Nanda	80	0.00	0%
Sunil Nanda	80	0.00	0%
Ravi Nanda	80	0.00	0%
Raj Nanda	80	0.00	0%
Jagdish.K.Jain	80	0.00	0%
Arun.K. Aggarwal	80	0.00	0%

d) Detail of shareholders holding more than 5% Equity shares in the Company

	As at 31st March 2025		As at 31st March 2024	
	Number	% shareholding	Number	% shareholding
Shubham Yarns Private Limited	1,497,520	22.54	1497520	22.54
GAL Cottex Private Limited	1,063,920	16.02	1063920	16.02
Himachal Yarns Limited	636,720	9.59	646,720	9.74
Sanjiv Garg	374,400	5.64	374400	5.64
Renu Garg	424,800	6.39	394800	5.94
Sumit Aggarwal	360,000	5.42	360000	5.42

e) Shares held by holding company or its ultimate holding company or subsidiaries or associates of the holding company or the ultimate holding company in aggregate.

There is no holding /ultimate holding company of this Company.

f) Aggregate number and class of shares alloted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and share bought back for the period of five years immediately preceding the reporting date -NIL

16 Other Equity

(₹ in lakh)

Particulars	Reserves & Surplus					
	Securities Premium Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	items of other comprehensive income	Total
Balance as at 01 April 2024	7636.57	7575.12	27450.89	2000.00	564.05	45226.64
Changes in Accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00	0.00
Restated balances at the beginning of the current year	7636.57	7575.12	27450.89	2000.00	564.05	45226.64
Total Comprehensive income for the year			2140.03		182.49	2322.52
Transfer to General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March 2025	**7636.57**	**7575.12**	**29590.92**	**2000.00**	**746.54**	**47549.16**
Balance as at 01 April 2023	7636.57	7575.12	30143.83	2000.00	433.10	47788.61
Changes in Accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00	0.00
Restated balances at the beginning of the current year	7636.57	7575.12	30143.83	2000.00	433.10	47788.61
Total Comprehensive income for the year			(2692.93)		130.95	(2561.98)
Transfer to General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March 2024	**7636.57**	**7575.12**	**27450.89**	**2000.00**	**564.05**	**45226.64**

Nature and purpose of Reserves

Securities Premium

Securities Premium is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve represent amount set aside out of profits of the company for utilisation in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

Retained Earnings are the profits/losses of the Company earned/incurred till date net of appropriations.

Capital Redemption Reserve

Capital Redemption Reserve represents amounts set aside on redemption of preference shares and is utilised in accordance with the provisions of the Companies Act, 2013.

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Items of Other Comprehensive Income

This reserve represents actuarial gains with regard to Gratuity Liability determined by actuarial valuation recognised in Other Comprehensive income which are not classified to Profit or Loss in subsequent periods.

17 Borrowings (Non Current)

Particulars	As at 31st March 2025	As at 31st March 2024
Secured		
Term loans		
From banks (Net of unamortized processing charges)	**12231.44**	**14575.74**
Less: Current maturities (refer note-20)	**2275.76**	**2330.50**
Sub Total	**9955.68**	**12245.24**
Vehicles Loans from Banks	**253.57**	**395.41**
Less: Current maturities (refer note-20)	**110.98**	**141.84**
Sub Total	**142.59**	**253.57**
Total	**10098.27**	**12498.82**

Details of Security

Term loans from Banks are secured by first parri passu charge on the entire fixed assets of the company alongwith equitable mortgage created on all the immovable assets of the company and further secured by Second Parri-passu charge on the entire current assets except pledged stock of the company and personal guarantee of the promoter directors.

Vehicle Loan from banks are secured by Hypothecation of Vehicles.

Term Loans from Banks are repayble in quarterly installments.

The year wise repayment of term loans due are as under :-

Year Ended	Repayment
3/31/2027	2069.56
3/31/2028	1797.14
3/31/2029	1982.07
3/31/2030	1560.41
3/31/2031	1497.76
3/31/2032	1048.73

Yearwise Repayment of Vehicle Loans due are as under:-

Year Ended	Amount of Repayment
3/31/2027	70.01
3/31/2028	68.54
3/31/2029	4.04

18 Provisions (Non Current)

(₹ in lakh)

Particulars	**As at 31st March 2025**	**As at 31st March 2024**
Provision for employee benefits : Gratuity (Refer Note no. 43)	**378.01**	**441.06**
Total	378.01	441.06

19 Deferred tax liabilities (net)

Particulars	**As at 31st March 2025**	**As at 31st March 2024**
Deferred tax liabilities		
Gross deferred tax liability (A) [Refer note 41(a)]	**930.46**	**581.21**
Deferred tax assets		
Gross deferred tax asset (B) [Refer note 41(a)]	**821.39**	**178.55**
Deferred tax liability (Net) (A-B)	**109.07**	**402.66**

20 Borrowings (Current)

Particulars	**As at 31st March 2025**	**As at 31st March 2024**
Working capital loans		
Working capital loans - From banks (secured)	**36239.07**	**38285.35**
Current maturities of non current debt	**2386.74**	**2472.33**
Total	38625.81	40757.68

Details of security for working capital borrowings

The Working Capital Loans are secured by pledge of warehouse receipts of cotton bales, hypothecation of Stock in trade (except pledged stock), Book Debts and other current assets of the company and further secured by second Parri-passu charge on the entire fixed assets of the company and personal guarantee of Promoter directors.

21(a) Trade payables to Micro and Small Enterprises

(₹ in lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Trade payables		
Disputed dues	**0.00**	**0.00**
Due to others (refer note no.39)	**125.16**	**1128.36**
Total	125.16	1128.36
Ageing for Trade Payables		
Not due	125.14	1127.03
Less than 45 days	0.02	1.33
46 days to 1 year	0.00	0.00
1-2 years	0.00	0.00
2-3 years	0.00	0.00
More than 3 years	0.00	0.00

21(b) Trade payables to Others

Particulars	As at 31st March 2025	As at 31st March 2024
Trade payables		
Disputed dues	**0.37**	**1.25**
Due to others	**6545.20**	**7569.13**
Due to related parties (Refer Note no. 40)	**0.00**	**0.00**
Total	6545.57	7570.39
Ageing for Trade Payables (disputed)		
Less than 1 year	0.00	0.00
1-2 years	0.00	0.00
2-3 years	0.00	0.00
More than 3 years	0.37	1.25
	0.37	1.25
Ageing for Trade Payables (others)		
Not due	5972.17	5248.12
Less than 1 year	524.83	2224.85
1-2 years	47.85	12.90
2-3 years	0.35	83.26
More than 3 years	0.00	0.00
	6545.20	7569.13

22 Other financial liabilites (Current)

Particulars	As at 31st March 2025	As at 31st March 2024
Financial liabilities at amortized cost		
Other Financial Liabilities	**141.68**	**110.85**
Total	141.68	110.85

23 Other current liabilities

Particulars	As at 31st March 2025	As at 31st March 2024
Statutory remittances**	**181.58**	**190.26**
Deferred Revenue on Capital subsidy	**0.00**	**1.78**
Advances from customers	**216.59**	**209.54**
Expense payable	**880.32**	**644.92**
Other Payables	**4.98**	**2.30**
Total	1283.46	1048.80

** Statutory remittances include contribution to provident fund, ESI, TDS, TCS & G.S.T. etc.

24 Provisions

Particulars	As at 31st March 2025	As at 31st March 2024
Provision for employee benefits :Gratuity (refer note 43)	**170.02**	**191.28**
Total	170.02	191.28

25 Revenue from operations

(₹ in lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Sale of products (excluding G.S.T)	**171790.90**	**156179.84**
Other operating revenues - Export benefits	**3134.04**	**3697.11**
Gain on foreign currency transactions and translations (Net)	**444.88**	**637.16**
Total	175369.82	160514.11

26 Other income

Particulars	As at 31st March 2025	As at 31st March 2024
Interest Income on banks deposits	**71.02**	**34.64**
Interest on delayed payments	**136.98**	**129.26**
Interest on Insurance Claim	**0.00**	**37.63**
Interest on Income tax refund	**7.16**	**0.00**
Deferred Revenue on Capital Subsidy	**1.78**	**2.11**
Deemed gain on Fair Value of Investment	**4.00**	**23.39**
Miscellaneous Income	**4.54**	**0.26**
Total	225.48	227.28

27 Cost of materials consumed

Particulars	As at 31st March 2025	As at 31st March 2024
Inventory at the beginning of the year	**23943.30**	**18516.41**
Add: Purchases during the year	**118997.91**	**118815.89**
Less: Inventory at the end of the year	**19370.48**	**23943.30**
Cost of materials consumed	123570.73	113388.99
Broad Category for Raw Material Consumed		
Synthetic Fibre	**19907.33**	**18126.02**
Cotton Fibre	**100876.80**	**93392.28**
Fabric,Yarn for Garments	**1778.77**	**1425.54**
Others (Semi Finished yarns)	**1007.83**	**445.15**
	123570.73	**113388.99**

28 Purchases of Stock-in-trade:

Particulars	As at 31st March 2025	As at 31st March 2024
Synthetic/Cotton Yarn	**341.94**	**490.34**
Total	341.94	490.34

29 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	As at 31st March 2025	As at 31st March 2024
Inventories at the beginning of the year		
Work-in-progress	**3966.89**	**3018.18**
Finished goods	**11555.75**	**15425.68**
Sub Total	15522.64	18443.86
Inventories at the end of the year		
Work-in-progress	**4568.50**	**3966.89**
Finished goods	**12130.27**	**11555.75**
Sub Total	16698.78	15522.64
Total Change in inventories	-1176.13	2921.22

30 Employee benefits expense

Particulars	As at 31st March 2025	As at 31st March 2024
Salaries and wages	**10910.85**	**9665.70**
Contribution to provident and other funds	**565.21**	**590.66**
Conveyance Expenses-Workers	**255.66**	**245.41**
Total	11731.72	10501.78

31 Finance costs

(₹ in lakh)

Particulars	As at 31st March 2025	As at 31st March 2024
Interest expense	**5361.11**	**4476.01**
Notional amortisation of Processing Fees	**0.00**	**9.84**
Other borrowing costs	**369.97**	**298.34**
Total	5731.08	4784.19

32 Other expenses

Particulars	As at 31st March 2025	As at 31st March 2024
Power & Fuel	**15254.22**	**14255.95**
Consumption of Stores and Spares	**5011.18**	**5132.20**
Job Charges	**888.16**	**756.90**
Repairs to Machinery	**2380.24**	**1909.82**
Repairs to Building	**96.08**	**61.07**
Repair Others	**28.36**	**35.09**
Insurance	**223.39**	**239.51**
Vehicle Maintenance	**116.92**	**121.70**
Travelling & Conveyance Expenses	**151.19**	**180.77**
Postage Courier & Telephone	**43.12**	**44.86**
Auditors Remuneration		
-Audit Fee	**8.00**	**8.00**
-Tax Audit Fee	**5.00**	**5.00**
-Cost Audit Fee	**0.55**	**0.60**
Legal & Professional Charges	**178.22**	**107.75**
Rates and Taxes	**45.81**	**52.65**
Listing Fee	**0.55**	**0.55**
Printing & Stationery	**32.41**	**42.04**
Subscription & Periodicals	**7.01**	**7.37**
General Expenses	**101.48**	**71.36**
Corporate Social Responsibility Expenses (Note 51)	**205.47**	**191.69**
Charity & Donation	**2.98**	**1.35**
Recruitment Expenses	**7.14**	**6.18**
Export Expenses	**2544.38**	**2325.04**
Carriage Outward	**763.50**	**848.71**
Advertisement and Sales Promotion	**28.30**	**71.06**
GST paid	**124.37**	**0.00**
Selling Expenses	**925.14**	**958.12**
Brokerage and Commission	**786.73**	**687.12**
Total	29959.90	28122.46

33 Exceptional Items

Particulars	As at 31st March 2025	As at 31st March 2024
Profit(+)/Loss(-) on disposal of Property, plant and equipment	13.72	56.90
	13.72	56.90

34(a) Financial Instruments by Category

The carrying value and fair value of financial instruments at the end of each reporting period is as follows:

As at 31st March 2025 (₹ in lakh)

Particulars	At Amortized cost	At fair value through profit or loss — Designated upon initial recognition	At fair value through profit or loss — Mandatory	Total carrying value	Total Fair value
Assets:					
Investments (Non Current) (Refer Note 6)			244.14	244.14	244.14
Other financial non-current assets (Refer Note 7)	975.35			975.35	975.35
Trade receivables (Refer Note 10)	17,099.82			17,099.82	17,099.82
Cash and Cash Equivalents (Refer Note 11)	137.54			137.54	137.54
Other Bank Balances (Refer Note 12)	211.16			211.16	211.16
Other financial assets (Current) (Refer Note 13)	42.56			42.56	42.56
Total	18,466.43	0.00	244.14	18,710.58	18,710.58
Liabilities:					
Borrowings (Non Current) (Refer Note 17)	10,098.27			10,098.27	10,098.27
Borrowings (Current) (Refer Note 20)	38,625.81			38,625.81	38,625.81
Trade Payables (Refer Note 21a & 21b)	6,670.73			6,670.73	6,670.73
Other financial liabilities (Current) (Refer Note 22)	141.68			141.68	141.68
Total	55536.49	0	0	55536.4925	55,536.49

As at 31st March 2024

(₹ in lakh)

Particulars	At Amortized cost	At fair value through profit or loss — Designated upon initial recognition	At fair value through profit or loss — Mandatory	Total carrying value	Total Fair value
Assets:					
Investments (Non Current) (Refer Note 6)			170.14	170.14	170.14
Other financial non-current assets (Refer Note 7)	51.96			51.96	51.96
Trade receivables (Refer Note 10)	19895.33			19,895.33	19,895.33
Cash and Cash Equivalents (Refer Note 11)	91.38			91.38	91.38
Other Bank Balances (Refer Note 12)	559.29			559.29	559.29
Other financial assets (Current) (Refer Note 13)	433.07			433.07	433.07
Total	21,031.03	0.00	170.14	21,201.17	21,201.17
Liabilities:					
Borrowings (Non Current) (Refer Note 17)	12,498.82			12,498.82	12,498.82
Borrowings (Current) (Refer Note 20)	40,757.68			40,757.68	40,757.68
Trade Payables (Refer Note 21a & 21b)	8,698.75			8,698.75	8,698.75
Other financial liabilities (Current) (Refer Note 22)	110.85			110.85	110.85
Total	62066.10	0	0	62066.10	62066.10

34 (b) Fair Value Measurement

(i) Fair Value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value:

As at 31st March 2025 **(₹ in lakh)**

Particulars	Fair Value	Fair Value measurement using Level 1	Level 2	Level 3
Long term Investments				
Fair Value through Profit and Loss	244.14	0.09	6.46	237.60

As at 31st March 2024

Particulars	Fair Value	Fair Value measurement using Level 1	Level 2	Level 3
Long term Investments				
Fair Value through Profit and Loss	170.14	0.12	5.25	164.77

35 Contingent Liabilities

Accounting Policy

In the normal course of business, contingent liabilities arise from litigations and claims.It is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses the same.

Contingencies (to the extent not provided for):-

(₹ in lakh)

Particulars	**As at 31st March, 2025**	**As at 31st March, 2024**
(i) Bank Guarantees	1441.83	1441.83
(ii) Litigation under the Income Tax Act, 1961	0.00	35.03

36 Business segments have been identified based on the nature and class of products and services, assessment of and disclosure requirements as contained in Ind AS- 108 ‘Operating Segments’ are not required in the Financial statements.

37 In accordance with Ind AS-36 on “Impairment of Assets” the Company has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account.

38 Earning Per Share

(a) The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on “Earning Per Share”

(i) A statement on calculation of basic & Diluted EPS is as under:

(₹ in lakh exept numbers)

Particulars	**31.03.2025**	**31.03.2024**
Net Profit after tax attributable to equity shareholders (A)	**2140.03**	(2692.93)
Weighted average number of equity shares (B)	**6642800.00**	6642800.00
Basic earning per Share (A)/(B)	**32.22**	(40.54)
Diluted earning per Share (A)/(B)	**32.22**	(40.54)
Face value per equity share	**Rs. 10.00**	Rs. 10.00

39 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 under the chapter on delayed payments to Micro & small enterprises.

(₹ in lakh)

Sr. No.	Particulars	As at 31st March, 2025	As at 31st March, 2024
1	Principal amount remaining unpaid to any supplier as at the end of accounting period	**125.16**	**1128.36**
2	Interest due on remaining unpaid principal amount to any supplier as at the end of the accounting period	-	-
3	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during accounting period	-	-
4	The amount of interest due and payable for the year	-	-
5	The amount of interest accrued and remaining unpaid at the end of accounting year	-	-
6	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues of Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

40 Related Party Disclosure

(a) Disclosure of Related Parties and relationship between the parties.

1	Key Management Personnel (KMP)	Sanjiv Garg - Managing Director Rajiv Garg - Managing Director Ujjwal Garg - Wholetime Director
2	Enterprises over which key Management Personnel and relative of such personnel is able to exercise significant influence or control	Pushpa Yarns Private Limited Shubham Yarns Private Limited DPG Textiles Ltd Gal Cottex Private Limited
3	Relatives of KMP	Sambhav Garg Aakriti Garg

(b) **Description of the nature of transactions with the related parties :-**

Particulars	**Key Management Personnel (KMP)**		**Relative of Key Management Personnel (KMP)**		**Enterprises over which KMP is able to exercise significant influence**	
	Current Year	**Previous Year**	**Current Year**	**Previous Year**	**Current Year**	**Previous Year**
Sale of goods					544.95	0.00
KMP Remuneration	173.39	170.62	54.44	49.94	--	--
Year end balance receivable	--	--	--	--	--	--
Year end balance receivable	--	--	--	--	22.64	0.00

41 Income taxes:

(a) The detail of deferred tax liabilities and assets as at the end of each reporting period is as under: **(₹ in lakh)**

	As at 1st April 2023	**Movement during 2023-24**	**As at 31st March 2024**	**Movement during 2024-25**	**As at 31st march 2025**
Deferred tax Liability					
Impact of Depreciation	229.87	345.58	575.45	351.17	**926.62**
Fair valuation Gain on investments	(0.13)	5.89	5.76	(1.92)	**3.84**
Sub Total (A)	229.74	351.47	581.21	349.25	**930.46**
Deferred tax Asset					
Impact of Unabsorbed Depreciation	0.00	0.00	0.00	669.63	**669.63**
Impact of Unamortised Processing Fees	15.35	(2.48)	12.88	(2.58)	**10.30**
Government Grants	0.98	(0.53)	0.45	(0.45)	**0.00**
Gratuity	158.76	0.38	159.15	(21.22)	**137.93**
Punjab Labour Welfare Fund	5.49	0.59	6.08	(2.55)	**3.53**
Sub Total (B)	180.58	(2.03)	178.55	642.83	**821.39**
Deferred tax liability (Net) (A-B)	49.16	353.50	402.66	(293.58)	**109.07**

In view of losses, as a matter of prudence, Deferred Tax Asset (DTA) has not been recognised on unabsorbed depreciation at the year ended on 31.03.2024. In the current year, the DTA has been recognised in view of taxable profits and reasonable certainity that sufficient future taxable income will be available against which DTA would be realised.

(b) Reconciliation of Deferred tax liabilities (net)

Particulars	**Current year**	**Previous year**
Deferred tax liability at the beginning of the year	**402.66**	49.16
Deferred tax (income)/expenses during the year recognized in Statement of Profit and loss	**(354.95)**	309.45
Deferred tax (income)/expenses during the year recognized in Other Comprehensive income	**61.38**	44.04
Deferred tax liability at the end of the year	**109.08**	402.66

(c) Reconciliation of tax expense and the Profit before tax multiplied by statutory tax rate :

Particulars	**Current year**	**Previous year**
Accounting profit before tax	**1779.16**	(2391.49)
Tax at statutory income tax rate of 25.168%	**447.78**	0.00
Tax effect of the amounts not deductible for computing taxable income		
Depreciation difference	**(1205.12)**	0.00
Disallowances	**52.46**	0.00
Unabsorbed Depreciation c/f	**669.63**	0.00
43B Disallowances	**40.16**	0.00
Deductions/Exemption/Non Taxable items	**(3.46)**	0.00
Fair valuation Gain on investments	**(1.01)**	0.00
Deferred Revenue	**(0.45)**	0.00
Income tax expense	**(0.00)**	0.00

42 Other Disclosures

(a) Relationship with Struck off Companies - The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956

(b) There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.

(c) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.

(d) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

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

(f) The Company have neither received nor given any fund from or to any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

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

(g) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

(h) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

43 Employee Benefits :

Gratuity plan: The Company has a gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act.

The following tables set out the disclosures in respect of the gratuity plan as required under Ind AS 19.

(a) Changes in the present value of the Plan Assets (₹ in lakh)

Particulars	Current Year	Previous Year
Present value of obligation as at beginning of the year	**632.34**	630.82
Interest cost	**45.39**	46.06
Past service cost	**0.00**	0.00
Current service cost	**125.01**	140.36
Benefits Paid	**(10.85)**	(9.91)
Actuarial gain(-)/ loss(+) on Obligations	**(243.87)**	(175.00)
Present value of obligation as at end of the year	548.02	632.34

(b) Changes in the fair value of the Plan Assets:

Particulars	Current Year	Previous Year
Fair value of Plan Assets as at beginning of the year	-	-
Actual return on Plan Assets	-	-
Contributions	-	-
Benefits Paid	-	-
Withdrawal	-	
Fair value of Plan Assets as at end of the year	0.00	0.00

(c) Amount recognized in Balance Sheet:

Particulars	Current Year	Previous Year
Present value of obligation as at end of the year	**548.02**	**632.34**
Fair value of Plan Assets as at end of the year	**0.00**	**0.00**
Funded Status	**(548.02)**	**(632.34)**
Present value of unfunded obligation as at end of the year	**-**	**0.00**
Unfunded Actuarial (gains)/ losses	**-**	0.00
Unfunded Net Asset/ (Liability) recognized in Balance Sheet.	0.00	0.00

(d) Actuarial Gain/Loss on Plan Assets

Particulars	Current Year	Previous Year
Expected Interest Income	**0.00**	**0.00**
Actual Income on Plan Asset	**0.00**	**0.00**
Actuarial gain /(loss) for the year on Asset	0.00	0.00

(e) Expenses Recognized in Profit & Loss:

Particulars	Current Year	Previous Year
Past service cost	**0.00**	**0.00**
Current service cost	**125.01**	**140.36**
Interest cost	**45.39**	**46.06**
Expected Interest Income	**0.00**	**0.00**
Total Expenses recognised in Profit & Loss Account	170.40	186.43

(f) OCI Recognized:

Particulars	Current Year	Previous Year
Actuarial gain(-)/ loss(+) for the year on Projected Benefit Obligation	**(243.87)**	**(175.00)**
Actuarial gain(-)/ loss(+) for the year on Asset	**0.00**	**0.00**
Unrecognized actuarial gain(-)/ loss(+) at the end of the year	(243.87)	(175.00)

(g) Principal actuarial assumption at the Balance Sheet Date (expressed as weighted average):

Particulars	Current Year	Previous Year
Discount Rate (per annum)	**7.00%**	**7.24%**
Rate of increase in compensation levels (per annum)	**6.00%**	**6.00%**
Expected Average remaining working lives of employees (years)	**22.38**	**23.09**
Method Used	**Projected Unit Credit**	**Projected Unit Credit**

The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employee market.

(h) The quantitative sensitivity analysis on net liability recognized on account of change in significant assumptions:

(₹ in lakh)

Particulars	As at 31.03.2025	As at 31.03.2024
Discount Rate		
1.00% Increase	**(3.65)**	(3.91)
1.00% decrease	**3.75**	3.98
Future Salary increase		
1.00% Increase	**15.68**	17.68
1.00% decrease	**(15.01)**	(16.95)

As per Actuarial Certificate, sensitivities due to mortality & withdrawals are not material & hence impact of change has not been calculated.

(i) The following payments are expected payouts to the defined benefit plan in future years:

Particulars	As at 31.03.2025	As at 31.03.2024
Within 1 year	**174.97**	**197.20**
1-5 years	**324.76**	**396.41**
Beyond 5 years	**183.90**	**196.90**
Total expected payments	**683.63**	**790.50**

44 Financial Risk Management

The principal financial assets of the Company includes trade and other receivables, cash and bank balances that derive directly from its operations. The principal financial liabilities of the company, includes loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:

i) **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

a) Foreign currency risk

The company operates internationally and business is transacted in several currencies. The export sales of company comprise around 41% of the total sales of the company, Further the company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The following table summarizes the company's exposure to foreign currency risk from financial instruments at the end of each reporting period:

Particulars	As at 31st March 2025	As at 31st March 2024
A) Exposure on account of Financial Assets		
Trade receivables (net of bill discounted) (A)		
-In USD	**4892592.20**	9292713.07
-In Euro	**0.00**	0.00
-In GBP	**143889.10**	88323.91
-In CHF	**0.00**	60701.92
Amount hedged through forwards (B)		
-In USD	**4892592.20**	9292713.07
-In Euro	**0.00**	0.00
-In GBP	**143889.10**	88323.91
-In CHF	**0.00**	60701.92
Net Exposure to Foreign Currency Assets (C=A-B)		
-In USD	**0.00**	0.00
-In Euro	**0.00**	0.00
-In GBP	**0.00**	0.00
-In CHF	**0.00**	0.00

Particulars	As at 31st March 2025	As at 31st March 2024
B) Exposure on account of Financial Liabilities		
Borrowings, Trade & Other Payables (D)		
-In USD	**7066631.52**	9194803.83
-In Euro	**41546.90**	138900.54
-In GBP	**206725.80**	345709.48
-In JPY	**0.00**	0.00
-In CHF	**0.00**	0.00
Amount Hedged through forwards (E)		
-In USD	**7066631.52**	9194803.83
-In Euro	**41546.90**	138900.54
-In GBP	**206725.80**	345709.48
-In JPY	**0.00**	0.00
-In CHF	**0.00**	0.00
Net Exposure to Foreign Currency Liabilities F=(D-E)		
-In USD	**0.00**	0.00
-In Euro	**0.00**	0.00
-In GBP	**0.00**	0.00
-In JPY	**0.00**	0.00
-In CHF	**0.00**	0.00
Net Exposure to Foreign Currency Assets/(Liability) (C-F)		
-In USD	**0.00**	0.00
-In Euro	**0.00**	0.00
-In GBP	**0.00**	0.00
-In JPY	**0.00**	0.00
-In CHF		

The following significant exchange rates applied during the year:

Particulars	2024-25 (Average exchange rate)	2023-24 (Average exchange rate)	2024-25 (Year end rates)	2023-24 (Year end rates)
INR/USD	**84.57**	**82.80**	**85.76**	**83.37**
INR/EURO	**93.43**	**89.91**	**96.65**	**90.22**
INR/GBP	**108.08**	**103.58**	**110.86**	**105.29**
INR/JPY	**0.59**	**0.62**	**0.57**	**0.62**
INR/CHF	**94.54**	**90.99**	**96.65**	**92.42**

Foreign currency sensitivity

The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities on account of reasonably possible change in USD and Euro exchange rates (with all other variables held constant) will be as under:

(₹ in lakh)

Particulars	As at 31-Mar-25	As at 31-Mar-24
10% Strengthening/weakening of USD against INR	**(186.45)**	8.16
10% Strengthening/weakening of Euro against INR	**(4.02)**	(12.53)
10% Strengthening/weakening of GBP against INR	**(6.97)**	(27.10)
10% Strengthening/weakening of CHF against INR	**0.00**	5.61

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

Particulars	As at 31st March 2025	As at 31st March 2024
Variable rate instruments		
Long term borrowings	**10098.27**	12498.82
Current maturities of long term debt	**2386.74**	2472.33
Short term borrowings	**36239.07**	38285.35

Cash flow sensitivity analysis for variable rate instruments

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. A change of 100 basis points in interest rates for variable rate instruments at the reporting date would have increased/(decreased) profit or loss for the below years by the amounts shown below. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at 31st March 2025	As at 31st March 2024
Increase/ decrease in 100 basis point	**572.28**	557.42

c) Investment Risk

The company does not actively trade equity investments. Equity investments are mainly held for strategic rather than trading purposes.

ii) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks.

The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by letters of credit.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date and the provisions are made for doubtful debts. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

The following is the detail of revenues generated from top five customers of the company and allowance for lifetime expected credit loss:

(₹ in lakh)

Particulars	**As at 31-Mar-25**	**As at 31-Mar-24**
(a) Revenue from top five customers		
- Amount of sales	**24,931.64**	26221.29
- % of Total sales	**14.51**	16.79
(b) Provision for doubtful debt		
- Balance at the beginning of the period	**0.00**	0.00
- Recognized during the year	**0.00**	0.00
- Balance at the end of the period	**0.00**	0.00

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables as disclosed at Note 10.

Write off policy

The financials assets are written off in case there is no reasonable expectation of recovering from the financial asset.

(iii) **Liquidity Risk**

The financial liabilities of the company include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool.

The company plans to maintain sufficient cash to meet the obligations as and when fall due.

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:

Particulars	**As at 31-Mar-25**	**As at 31-Mar-24**
Borrowings		
0-1 years	**2386.74**	2472.33
2-3 years	**4005.25**	4541.98
4-5 years	**3546.53**	3850.27
More than 5 years	**2546.49**	4106.57
Trade Payables		
0-1 years	**6622.16**	8601.33
2-3 years	**48.20**	96.16
3-5 years	**0.37**	1.25
More than 5 years	**0.00**	0.00
Other Financial liabilities		
0-1 years	**141.68**	110.85
2-3 years	**0.00**	0.00
3-5 years	**0.00**	0.00
More than 5 years	**0.00**	0.00

45 Capital Management & Gearing Ratio

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by Total capital . The Company's gearing ratio was as follows:

(₹ in lakh)

Particulars	Financial Year ended 31.03.2025	Financial Year ended 31.03.2024
Borrowings	**48724.08**	53256.50
Less: Cash and cash equivalents	**348.70**	650.67
Net debt	**48375.38**	52605.83
Total equity	**48213.74**	45891.22
Gearing ratio (Net debt to equity)	**1.00**	1.15

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year ended 31st March 2025.

There were no changes in the objectives, policies or processes for managing capital during the year ended 31 March 2025(31 March 2024).

46 **Interest in other entities**

The consolidated Financial statements present the consolidated accounts of Garg Acrylics Limited with its subsidiary Garg International.

Name of Entity	Activities	% of stake As at 31st March 2025	% of stake As at 31st March 2024
Garg International (Partnership Firm)	Trading	**95%**	95%

47 **Assets pledged as Security:-**

The Carrying amount of assets pledged as security for current and non-current borrowings are :-

	As at 31st March 2025	As at 31st March 2024
Current Assets		
Financial Assets		
Trade receivables	**17,099.82**	19,895.33
Non-Financial Assets		
Inventory	**36,968.09**	40,100.87
Total Current Assets Pledged as Security	**54,067.91**	59,996.20
Non Current Assets		
Property, Plant & Equipment	**38,962.35**	40,503.25
Total Non Current Assets Pledged as Security	**38,962.35**	40,503.25
Total Assets Pledged as Security	**93,030.26**	100,499.46

48 GST ITC and Output Liability are considered in the books w.r.t the purchases/inputs services and sales/output services made during the year. The difference

if any at the time of GST audit or any other development /information would be provided in the year in which such difference are known/materialised.

49 The company has borrowings from bank on the basis of security of current assets.The quarterly returns or statements filled by the company with such banks are in agreement with the books of accounts of the company except as follows:

(₹ in lakh)

	Stock	Book Debt	Creditors
Quarter Ended 30/6/2024			
Value as per books of account	29534.40	19090.89	4310.44
Value as per quarterly statement	28812.62	19009.40	3626.97
Difference Stock Book Debt	-721.78 *	-81.49 **	-683.47 **
Quarter Ended 30/9/2024			
Value as per books of account	28485.85	18777.18	4502.99
Value as per quarterly statement	27100.11	19816.29	4314.91
Difference	-1385.74 *	1039.11 **	-188.08 **
Quarter Ended 31/12/2024			
Value as per books of account	34404.18	20080.70	8660.39
Value as per quarterly statement	32567.19	20910.68	7751.43
Difference	-1836.99 *	829.98 **	-908.96 **
Quarter Ended 31/03/2025			
Value as per books of account	36968.09	16974.13	6670.72
Value as per quarterly statement	37056.48	18251.85	9172.13
Difference	88.39 *	1277.72 **	2501.41 **

* Monthly Drawing power/stock statement are submitted to bank by 7th of next month. The stocks are valued on estimated basis. The value of stock as per books of accounts are calculated after submission of monthly G.S.T. Returns i.e. by 15th of next month, hence the differences.

** Monthly Drawing power/Book debts statement are submitted to bank by 7th of next month. The bank statements are reconciled with books afterwards i.e. by 15th of next month taking into account Cheque Returned /payment returned /received, hence the difference.

50 Ratios

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024

Particulars	Numerator	Denominator	As at 31st March 2025	As at 31st March 2024	VARIANCE %
Current Ratio	Current assets	Current liabilities	1.39	1.35	**2.96**
Debt - Equity Ratio	Total Debt	Shareholder's Equity	1.01	1.16	**(12.93)**
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	1.40	0.58	**141.38(*1)**
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	0.05	(0.06)	**-183.33(*1)**
Inventory Turnover	Cost of Goods sold	Average Inventory	4.20	3.95	**6.33**
Trade receivables turnover ratio	Revenue	Average Trade Receivable	9.31	8.33	**11.76**
Trade payables turnover ratio	Purchases	Average Trade Payables	15.53	18.39	**(15.55)**
Net capital turnover ratio	Revenue	Working Capital	9.66	9.13	**5.81**
Net profit ratio	Net Profits after taxes	Revenue	1.22	(1.68)	**-172.62(*1)**
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	7.72	2.35	**228.51(*1)**
Return on Investment(ROI)					
Unquoted	Income generated from investments	Time weighted average investments	15.35	789.59	**-98.06(*2)**
Quoted	Income generated from investments	Time weighted average investments	(27.06)	132.94	**-120.36(*3)**

(*1) -Due to better profits this year, the, the ratios have improved more than 25% over the previous year.

(*2) -Lower realisable value of unquoted investments at the year end has resulted decrease in the ratio more than 25% over the previous year.

(*3) -Lower market value of quoted investment at the year end has resulted decrease in the ratio more than 25% over the previous year.

51 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act.

(₹ in lakh)

		As at 31st March 2025	As at 31st March 2024
i) Amount required to be spent by the company during the year	:	171.77	181.14
ii) Amount of expenditure incurred	:	205.47	191.69
iii) Shortfall at the end of the year	:	Nil	Nil
iv Total of previous years shortfall	:	Nil	Nil
v) Reason for shortfall	:	N.A	N.A
vi) Surplus at the end of the year	:	33.70	10.55
vii) Nature of CSR activities	:	Promoting education & health care including preventive health care & employment enhancing vocational skills	
viii) Details of related party transactions, e.g.,contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard		Nil	Nil
ix) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year :		N.A	N.A

The said amount stands debited to the Corporate Social Responsibility" under the head "other expenses".

The amounts expended are as follows:

(i) Construction / acquisition of any asset	Nil	Nil
(ii) For purposes other than (i) above	205.47	191.69

52 The code on Social Security 2020

The Code on Social Security 2020 (Code) relating to employee benefits during employment and post employment has been notified in the official Gazette on 29th Sept, 2020. The draft rules have been released on Nov 13, 2020 and suggestions invited from stakeholders are under consideration by the Ministry. The impact of change will be assessed and accounted in the period in which the said rules are notified for implementation.

53 Audit Trail

The Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software except that the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes in the excel sheets used for maintaining payroll register, property plant & equipment register, cost records, stock register & consolidation process. Further,the audit trail (edit log) facility has not been tempered with and has been preserved as per the statutory requirements for record retention.

54 There were no significant adjusting events after the reporting period that needs disclosure.

55 For Disclosure mandated by Schedule III of the Companies Act, 2013, by way of additional information, refer below:

Name of the entity in the Group	Net assets i.e. total assets minus total liabilitites		Share in Profit (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated other comprehensive income	Amount
2024-25								
Parent								
Garg Acrylics Ltd	100.00%	48213.44	100.00%	2140.02	100.00%	182.49	100.00%	2322.51
Subsidiary								
Garg International	0.19%	89.84	0.00%	0.01	0.00%	0.00	0.00%	0.01
Non Controlling Interest	0.00%	0.30	0.00%	0.00	0.00%	0.00	0.00%	0.00
2023-24								
Parent								
Garg Acrylics Ltd	100.00%	45890.92	100.00%	-2692.93	100.00%	130.95	100.00%	-2561.98
Subsidiary								
Garg International	0.20%	89.84	0.00%	0.02	0.00%	0.00	0.00%	0.02
Non Controlling Interest	0.00%	0.30	0.00%	0.00	0.00%	0.00	0.00%	0.00

56 Figures for the previous periods are re-classified / re-arranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure. Figures in bracket indicate deductions.

For and on behalf of the Board of Directors

FOR KAMBOJ MALHOTRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 015848N

Sanjiv Garg
Mg.Director
(DIN No. 00217156)

Rajiv Garg
Mg.Director
(DIN No.00444558)

C.A. AMARJIT KAMBOJ
PARTNER
Membership No. 082152

Place : Ludhiana
Dated : 30-05-2025

Ramandeep Singh
Chief Financial Officer

Priya Rani
Company Secretary

Annexure

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

(Rs in lakh)

Sr. No.	Particulars	Details
1.	Sl. No.	1
2.	Name of the subsidiary	Garg International
3.	The date since when subsidiary was acquired	01.04.2010
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not different
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
6.	Share capital	Rs. 89.84
7.	Reserves & Surplus	-----
8.	Total assets	Rs. 126.40
9.	Total Liabilities	Rs. 126.40
10.	Investments	-----
11.	Turnover	Rs. Nil
12.	Profit before taxation	Rs. 0.01
13.	Provision for taxation	Rs. Nil
14.	Profit after taxation	Rs. 0.01
15.	Proposed Dividend	-----
16.	Extent of shareholding (In percentage)	-----

1. Names of subsidiaries which are yet to commence operations-N.A
2. Names of subsidiaries which have been liquidated or sold during the year-N.A

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	
1. Latest audited Balance Sheet Date	-----
2. Date on which the Associate or Joint Venture was associated or Acquired	-----
3. Shares of Associate/Joint Ventures held by the company on the year end	
i. No.	-----
ii. Amount of Investment in Associates/Joint Venture	-----
iii. Extend of Holding (in Pecentage)	-----
4. Description of how there is significant influence	-----
5. Reason why the associate/joint venture is not consolidated	------
6. Net worth attributable to shareholding as per latest audited Balance Sheet	-----
7. Profit/Loss for the year	-----
i. Considered in Consolidation	-----
ii. Not Considered in Consolidation	-----

1. Names of associates or joint ventures which are yet to commence operations- N.A
2. Names of associates or joint ventures which have been liquidated or sold during the year- Nil

Subject to our separate Report of even date

FOR KAMBOJ MALHOTRA & ASSOCIATES
Chartered Accountants

For and on behalf of the Board of Directors

Sanjiv Garg
Mg.Director
(DIN No. 00217156)

Rajiv Garg
Mg.Director
(DIN No.00444558)

C.A. AMARJIT KAMBOJ
PARTNER
Membership No. 082152

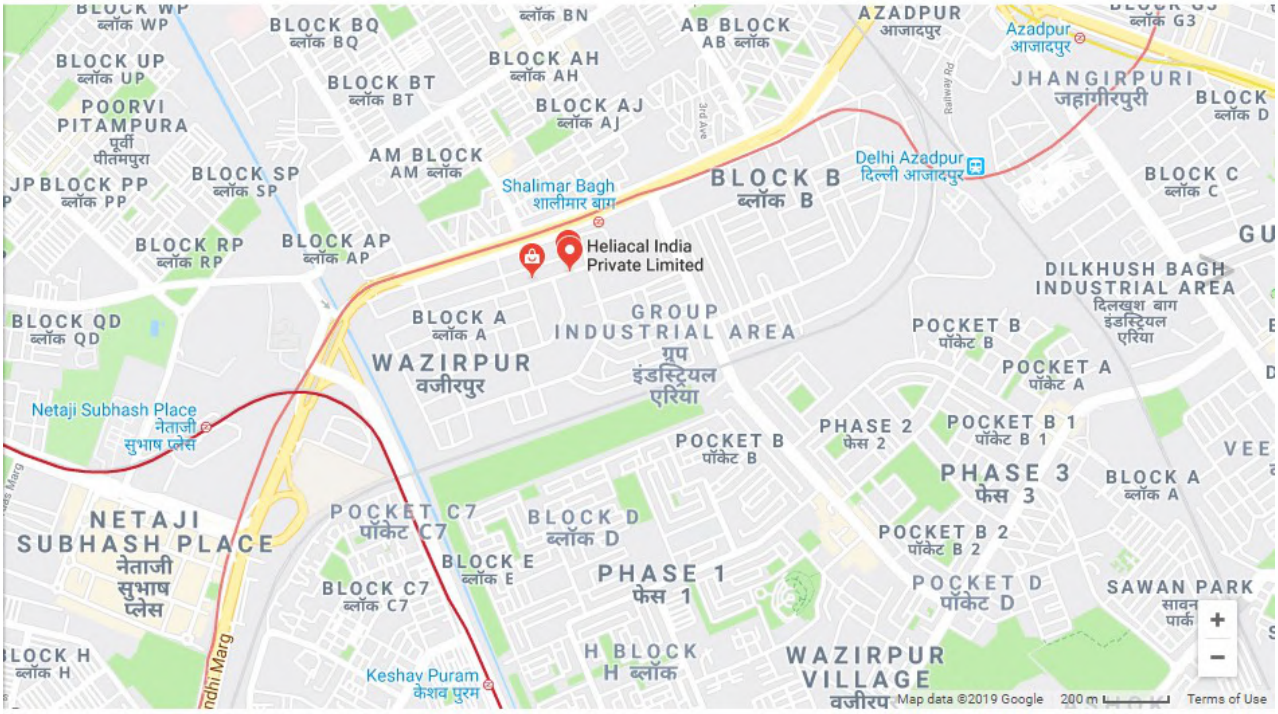
Place : Ludhiana
Dated : 30-05-2025

Ramandeep Singh
Chief Financial Officer

Priya Rani
Company Secretary

ROUTE MAP TO AGM VENUE

GARG ACRYLICS LIMITED
A-50/1, Wazirpur, Industrial Area, Delhi-52



GARG ACRYLICS LIMITED
(CIN NO.: - L74999DL1983PLC017001)
A-50/1, Wazirpur, Industrial Area, Delhi-52
Website: www.gargltd.com Email: - gargacrylics@yahoo.com

ATTENDANCE SLIP

Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall.

Full Name of the member attending…...……………
(In Block letters)
Member's Folio No./DP Id/Client Id* : ……......................... No. of Shares Held…..................

Name of Proxy ………………………..
(To be filled in, if the proxy attends instead of the members)

I, hereby record my presence at the 41st Annual General Meeting of the Garg Acrylics Limited at Registered office A-50/1, Wazirpur, Industrial Area, Delhi on Monday 29th Sept, 2025 at 3:00 P.M.

……………………………………..
Member's/Proxy's Signature

*Applicable for investors holding shares in electronic form

GARG ACRYLICS LIMITED
(CIN NO.: - L74999DL1983PLC017001)
A-50/1, Wazirpur, Industrial Area, Delhi-52
Website: www.gargltd.com Email: - gargacrylics@yahoo.com

PROXY FORM

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

41st Annual General Meeting on Monday, 29.09.2025 at 03:00 p.m.
CIN :- L74999DL1983PLC017001
Name of Company:- GARG ACRYLICS LIMITED
Registered office :- A-50/1, Wazirpur, Industrial Area, Delhi.

Name of the member (s) **Registered address :** **E-mail Id :** **Folio No./Client Id :** **DP ID:**

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

(1) Name……………………………. Address…………………………………………

Email id………………………… Signature……………………………or falling him.

(2) Name……………………….. Address ……………………………………………..

Email id………………………… Signature……………………………or falling him.

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 41st Annual General Meeting of the Company to be held on Monday 29th September, 2025 at 3:00 P.M. Registered office A-50/1, Wazirpur, Industrial Area, Delhi-52 and at any adjournment thereof such resolution as are indicated below:-

RESOLUTIONS	Optional	
Ordinary Business	**For**	**Against**
1. To receive, consider and adopt the Standalone & Consolidated Audited Balance Sheet as at 31st March, 2025, Profit & Loss Account and Cash Flow Statement for the year ended on that date together with reports of Directors & Auditors thereon.		
2. To appoint a director in place of Mr. Ujjwal Garg (DIN 01234439) who retires by rotation and being eligible offers himself for reappointment.		
Special Business		
3. To Approve payment of remuneration to Cost Auditor M/s. Meenu & Associates, Cost Auditors for the financial year ending 31st March, 2026.		

Signed this ………………. Day of ………………………..2025.

Signature of Shareholder …………………………………………

Signature of Proxy Holder (s) …………………………………….

Affix Rs. 1 Revenue Stamp

Note :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 41st Annual General Meeting.
3. A proxy need not be a member of the Company
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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 of shareholder.
5. It is optional to put 1 ‘x’ in the appropriate column against the Resolution indicated in the Box. If you leave the ‘For’ or ‘Against’ column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
6. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
7. Please complete all details of member (s) in above box before submission.