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/2026-27 **Date: 13th July, 2026**

The Head- Listing & Compliance,
Metropolitan Stock Exchange of India Limited,
Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park,
L.B.S Road, Kurla West, Mumbai - 400070

Subject: 42nd Annual Report of the Company for the Financial Year 2025-2026

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 2025-2026 along with the Notice convening the 42nd Annual General Meeting (AGM) of the Company scheduled to be held on Thursday, the 06th day of August, 2026 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 42nd AGM and the Annual Report of the Company for the financial year 2025-2026 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 2025-2026 including the Notice convening the 42nd 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 Date: 2026.07.13 16:55:55 +05'30'

Priya Rani
Company Secretary

42ND ANNUAL REPORT
2025-26

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
State Bank of India

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 42nd Annual General Meeting of the members of Garg Acrylics Limited will be held on Thursay the 06th day of August 2026 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, 2026, 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. Sanjiv Garg (DIN : 00217156) 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, 2027

   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, 2027, 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 appoint Ms. Kavita Rani (DIN: 11689363) as Non-executive Independent Director of the Company.

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

   "RESOLVED THAT pursuant to the provisions of sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Kavita Rani (DIN: 11689363) who was appointed as an Additional Director (Non- Executive, Independent) by the Board of Directors with effect from May 07th 2026 and who holds the said office pursuant to the provisions of section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing her candidature for the Office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of Five (5) year from the conclusion of this Annual General Meeting.

FURTHER RESOLVED THAT the board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of Directors to give effect to the above said resolution."

By Order of the Board
For Garg Acrylics Limited

Place: Ludhiana **Priya Rani**
Dated: 08.07.2026 **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 42nd 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 Thursday 30th July, 2026, to Thursday 06th August, 2026 (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 42nd 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 2025-26 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 2025-26 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 03.08.2026 at 10.00 a.m. and ends on 05.08.2026 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 31.07.2026 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, 2027 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, 2027. 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, 2027.
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

Ms. Kavita Rani (DIN: 11689363), was appointed as an Additional - Independent Director of the Company on the board of the Company by the directors in their Board Meeting held on 07th May, 2026, with effect from such Board meeting. In accordance with provisions of the Companies Act, 2013, In accordance with the provisions of Section 161 of Companies Act, 2013, Ms. Kavita Rani shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be regularized as an Independent Director for a term up to five years.

A brief profile of Ms. Kavita Rani, including nature of her expertise, is provided as Annexure-2 of this Notice.

Accordingly, in terms of the requirements of the provisions of Companies Act, 2013, approval of the members of the Company is required for regularization of Ms. Kavita Rani (DIN: 11689363) from Additional Independent Director to Independent Director of the Company for a term up to 5 years with effect from conclusion of this AGM. The Company has also received a declaration from Ms. Kavita Rani declaring that she meets the criteria of independence as provided under Section 146(9) of the

Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company other than Ms. Kavita Rani, are concerned or interested, financially or otherwise, in the resolution.

By Order of the Board
For Garg Acrylics Limited

Place: Ludhiana
Dated: 08.07.2026

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. Sanjiv Garg
Date of Birth	10-11-1960
Date of Appointment	01-08-2010
Qualification	B.Com
Expertise in Specific Area	Industrialist & Business Experience of 45 years in Textile and Iron & Steel Industry.
Directorship in other Companies as on 31st March, 2023	Pushpa Yarns Private Limited. Indo Global Infratech Private Limited Raja Devi Investment and Trading Co Pvt Ltd
Chairman/ Member of Committees of other Companies as on 31st March, 2026	------
Shareholding in the Company	1374400 shares (12.93%)
Relationship With Other Director	Mr. Rajiv Garg is brother and Mr. Ujjwal Garg is son of Mr. Sanjiv Garg.
No. of Board meetings attended during the year	7 out of 8

ANNEXURE-2 TO THE NOTICE

Name of the Director	Ms. Kavita Rani
Date of Birth	22/03/1997
Date of Appointment	07/05/2026
Qualification	BBA
Expertise in Specific Area	Ms. Kavita Rani is 29 years of age and having Bachelor Degree in Business Administration and possessing experience of 7 years in accounts, finance and human resource management.
Directorship in other Companies as on 31st March, 2026	--
Chairman/ Member of Committees of other Companies as on 31st March, 2026	---
Shareholding in the Company	----
Relationship With Other Director	Ms. Kavita Rani is not related to any director of the company.

DIRECTOR'S REPORT

The Members of
Garg Acrylics Limited

The Directors of your company have pleasure in presenting the 42nd Annual Report together with the Audited Accounts for the year ended March 31, 2026.

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, 2026 as well as comparative figures for the year ended 31st March, 2025 are Ind AS compliant. The financial highlights of your Company for the year ended 31st March, 2026 are summarized as follows:

		Standalone
		(Rupees in Lacs)
	2025-26	**2024-25**
Revenue from operation	181683.77	175369.82
Profit before depreciation	5302.14	5449.78
Depreciation	3697.01	3670.63
Profit before taxation	1605.13	1779.15
Provision for taxation		
- Current year tax	1.00	0.00
- Deferred Tax Assets (Liabilities)	377.53	(354.95)
-Previous Year tax Provisions/written Back	1.37	(5.92)
Profit after tax	1226.24	2140.02
Earning per Share		
- Basic	11.54	32.22
- Diluted	11.54	32.22
Dividend per Share	Nil	Nil

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A) BUSINESS REVIEW:

Economic Outlook:

After withstanding higher trade barriers and elevated uncertainty last year, global activity now faces a major test from the outbreak of war in the Middle East. Assuming that the conflict remains limited in duration and scope, global growth is projected to slow to 3.1 percent in 2026 and 3.2 percent in 2027. Global headline inflation is projected to rise modestly in 2026 before resuming its decline in 2027. Slowdown in growth and increase in inflation are expected to be particularly pronounced in emerging market and developing economies.

Downside risks dominate the outlook. A longer or broader conflict, worsening geopolitical fragmentation, a reassessment of expectations surrounding artificial-intelligence-driven productivity, or renewed trade tensions could significantly weaken growth and destabilize financial markets. Elevated public debt and eroding institutional credibility further heighten vulnerabilities. At the same time, activity could be lifted if productivity gains from AI materialize more rapidly or trade tensions ease on a sustained basis.

Globally, 2025 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.

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 textile sector is one of the nation's oldest and most diverse industries, deeply rooted in centuries-old traditions. The Union Budget 2026–27 places the textile sector at the heart of India's growth, underlining its strategic importance to the economy. By prioritising this labour-intensive industry, the Budget acknowledges textiles as a key driver of job creation, export growth, rural livelihoods and sustainable manufacturing.

Notably, the Indian textile sector possesses significant intrinsic strengths- the country is the world's largest cultivator of cotton by acreage, the largest producer of jute, the second-largest producer of silk and cotton, second major global hub in the man-made fibres (MMF) segment and the second-largest producer of polyester and viscose fibres.

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 2.3% 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 2025-26

Yarn	Garments	Knitted Cloth
71364.47 MT	18.97 Lacs	1887.04 (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, 2026 were Rs. 377.57 crore as compared to Rs. 389.62 crore in the previous year.

ii) Current Assets:
The current assets as on 31st March, 2026 were Rs. 730.54 crore as against Rs. 650.39 crore in the previous year. Inventory level was at Rs. 351.33 crore as compared to the previous year level of Rs. 369.68 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. 2025-2026	F.Y. 2024-2025	Changes (%)	Remarks
1.	Debtors Turnover Ratio	9.35	9.37	(0.21)	-
2.	Inventory Turnover Ratio	4.68	4.20	11.43	-
3.	Interest Coverage Ratio	1.30	1.33	2.26	-
4.	Current Ratio	1.37	1.39	(1.43)	-
5.	Debt. Equity Ratio	0.92	1.01	(8.91)	-
6.	Operating margin Ratio	3.75	4.06	(7.64)	-
7.	Net Profit margin	0.67	1.22	(45.08)	Due to lower demand, the finished goods have to be sold on unremunerative prices and has resulted in lower profits, hence the ratio has decreased more than 25% over the previous year.
8.	Return on net worth	2.74	4.82	(43.15)	Due to lower demand, the finished goods have to be sold on unremunerative prices and has resulted in lower profits, hence the ratio has decreased more than 25% over the previous year.

3. SHARE CAPITAL:

The paid up Equity Share capital as on 31st March, 2026 was Rs.10,62,84,800. During the year under review, the Company has issued 39,85,680 shares on right basis, the company has not 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, 2026, the Company does not have any associate and Joint Ventures.

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

During the year under review Mrs. Misha Nayar cesses to be director of the company due to sudden demise.

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 2025-26. 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, 2026. 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, 2026 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 99.28% 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 2026-27. 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 2026-27 is placed for ratification by the members.

16. NUMBER OF BOARD MEETINGS:

Eight (8) meetings of the Board of Directors of the company were held during the Financial Year 2025-26.

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 2025-2026 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 42 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, 2026. There were no unclaimed or unpaid deposits as on March 31, 2026.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the

provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.
In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company had constituted an Internal Complaints Committee. The Committee has not received any complaint of sexual harassment during the financial year 2025-26.

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. 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.

31. 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.

32. 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.

33. 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 **Sanjiv Garg, Managing Director**
Dated: 08.07.2026 **DIN: 00217156**

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, 2026.

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. 5977739063.00	Rs. 6727079509.00
Used (CIF value of Imports)	Rs. 1838263915.00	Rs. 2025744162.00

By order of the Board
For GARG ACRYLICS LIMITED

Place: Ludhiana
Dated: 08.07.2026

Sanjiv Garg, Managing Director
DIN: 00217156

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.

By order of the Board
For GARG ACRYLICS LIMITED

Place: Ludhiana **Sanjiv Garg, Managing Director**
Dated: 08.07.2026 **DIN: 00217156**

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2026
(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 31.03.2026 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 31.03.2026 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. ForeignExchange 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 had initiated a Rights Issue of equity shares in the previous financial year and had complied with the applicable procedural and disclosure requirements prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.During the year under review, the Company completed the allotment of equity shares pursuant to the said Rights Issue and complied with the post-allotment formalities, including obtaining listing and trading approvals from the Stock Exchange(s).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 the Board of Directors of the Company is duly constituted with an appropriate balance of Executive, Non-Executive and Independent Directors. During the year under review, the tenure of the Independent Directors expired on 26 March 2026, and the Board approved their re-appointment for a second term, subject to the approval of the shareholders. Further, the office of Ms. Misha Nayyar, Independent Director, became vacant during the year due to her demise.

The changes in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and the applicable Rules made thereunder.

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 there were no further specific events/actions I pursuance of above referred laws rules,regulations and gudelines etc. having a major bearing on the company's affairs:

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:30/05/2026
Place: Ludhiana

LIST OF LABOUR LAWS AND ENVIRONMENTAL LAWS WHICH HAVE BEEN VERIFIED DURING THE AUDIT PERIOD;-

Labour Laws
Factories Act, 1948

Industrial Disputes Act, 1947
Employees' Provident Funds and Miscellaneous Provisions Act, 1952
Employees' State Insurance Act, 1948
Minimum Wages Act, 1948
Payment of Bonus Act, 1965
Apprentices Act, 1961
Payment of Gratuity Act, 1972
Contract Labour (Regulation and Abolition) Act, 1970
Note:
The Government of India has enacted the following Labour Codes with an objective to consolidate and rationalize various labour legislations:
Code on Wages, 2019
Industrial Relations Code, 2020
Occupational Safety, Health and Working Conditions Code, 2020
Code on Social Security, 2020
However, since the relevant provisions/rules of the aforesaid Labour Codes are yet to be fully implemented/enforced, compliance has been examined with reference to the existing applicable labour laws as presently in force during the audit period.
List of Environmental Laws:-
Environment (Protection) Act, 1986
Air (Prevention and Control of Pollution) Act, 1981
Water (Prevention and Control of Pollution) Act, 1974

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: 30/05//2026
Place: Ludhiana

Secretarial Compliance Report of
Garg Acrylics Limited
For the financial year ended 31.03.2026
Pursuant to Regulation 24A of Securities and Exchange Board of India
(Listing Obligations and Disclosures Requirements) Regulations 2015

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

(a) Al lthe 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 31.03.2026 (“ReviewPeriod”) 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:

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

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

Sr. No.	*Observations/Remarksof the PracticingCompany Secretary(PCS) in the previousreports)*	*Observationsmadeinthe SecretarialCompliancereportfortheyearended …..(Theyearsaretobe mentioned)*	*ComplianceRequirement(Regulations/circulars/guidelinesincludingspecificclause)*	*Details of violation /Deviationsandactionstaken/penaltyimposed,ifany,onthelistedentity*	*Remedialactions,ifany,takenbythelistedentity*	*CommentsofthePCS on theactionstaken bythe listedentity*
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	Nil
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 Yes	Nil
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 Yes Yes	Nil
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	None of the Directors are disqualified under Section 164 of Companies Act, 2013

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.	PreservationofDocuments: The listed entity is preserving and maintaining recordsasprescribedunder SEBIRegulationsanddisposalofrecords as per policy of preservation of documentsandarchivalpolicyprescribed under SEBI LODR Regulations, 2015.	Yes	NIL
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	Nil
8.	RelatedPartyTransactions: (a) The listed entity has obtained prior approval of audit committee for all related party transactions; (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactionswere subsequently approved/ ratified/ rejected by the audit committee.	Yes	Nil
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 alongwith Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
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	Structured Digital Database maintained

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
	Compliance with Regulation 17 of SEBI (LODR) Regulations relating to Board Composition	Yes	NIL
	Compliance with SEBI (ICDR) Regulations, 2018 in relation to Rights Issue and allotment of shares	Yes	The Company completed allotment of equity shares pursuant to Rights Issue during the year under review and complied with post-allotment formalities including obtaining listing/trading approvals from Stock Exchange(s
	Re-appointment of Independent Directors	Yes	The tenure of Independent Directors expired on 26.03.2026 and the Board approved their re-appointment for second term subject to shareholders' approval. Form MGT-14 was filed with ROC.
12.	Resignation of statutory auditors from the listed entity or its material subsidiaries: Incase 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 accordance with the provisions of Companies Act, 2013. No Resignation was made by the Auditors

13.	Additional Non-compliances, if any: No additional non-compliances observed for any SEBI regulation/ circular/ guidance note etc. except as reported above.	No	Only 99.28 % of promoters holding is in demat form. Whereas as per Rsg. 31(2) of SEBI LODR Reg. 2015, the company is required to maintain 100 % shareholding of promoters and promoter group in demat form.

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.

For R. K. Loomba & Associates
Company Secretaries

Place: Ludhiana
Date: 27/05/2026

Rajesh Kumar Loomba
FCS No.: 3359
CP No . 4029
UDIN: F003359H000503364
Peer Review No. 2502/20

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	2	2

		Director		
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, is Rs. 3369675.62

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	2024-25	3369675.62	1938410.42
2			
3			
	Total		

6. Average net profit of the company as per section 135(5). Rs. 96920521.33

7. (a) Two percent of average net profit of the company as per section 135(5). Rs. 1938410.42
(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 1938410.42
(d) Total CSR obligation for the financial year (7a+7b-7c). Rs. NIL

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.
	NIL	NA	NA	NA	NA

*CSR Obligation is set off against the excess amount spent in prevoius financial year.

(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 Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Reg

									Rs.).			istration 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) 564762.00
(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)	1938410.42
(ii)	Amount Required to be spent as per point no. 7 above	NIL*
(iii)	Total amount spent for the Financial Year	564762.00
(iv)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(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

*CSR Obligation is set off against the excess amount spent in prevoius financial year.

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 section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	

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).
***CSR Obligation is set off against the excess amount spent in prevoius financial year.**

(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 2025-26:

Name of the Directors	Ratio of Median Remuneration
Sh. Sanjiv Garg	20.41
Sh. Rajiv Garg	20.41
Sh. Ujjwal Garg	21.41

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	0.01%
Sh. Rajiv Garg	Managing Director	0.01%
Sh. Ujjwal Garg	Whole Time Director	17.86%
Mr. Ramandeep Singh	Chief Financial Officer	8.83%
Mrs Priya Rani*	Company Secretary	0.71%

.

3. **The percentage increase in the Median Remuneration of Employees in the Financial Year 2025-26.**

   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, 2026:** 4077

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 2025-26 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 **Sanjiv Garg, Managing Director**
Dated: 08.07.2026 **DIN: 00217156**

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	30.05.2025	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	30.05.2025	Nil
Sambhav Garg- (Relative of Director)	Remuneration	1 year	Rs. 4242000	30.05.2025	Nil
Aakriti Garg- (Relative of Director)	Remuneration	1 year	Rs. 1682400	30.05.2025	Nil
DPG Textiles Limited (enterprise in which director or KMP has significant interest)	Sales	1 year	Upto Rs. 15 crores	03.09.2025	Nil

By order of the Board
For GARG ACRYLICS LIMITED

Place: Ludhiana **Sanjiv Garg, Managing Director**
Dated: 08.07.2026 **DIN: 00217156**

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, 2026

By order of the Board
For GARG ACRYLICS LIMITED

Place: Ludhiana **Sanjiv Garg, Managing Director**
Dated: 08.07.2026 **DIN: 00217156**

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, 2026 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, 2026 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 **Sanjiv Garg, Managing Director**
Dated: 08.07.2026 **DIN: 00217156**

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, 2026 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.

* Mrs. Misha Nayar cesses to be director of the company w.e.f. 07.02.2026 due to sudden demise.

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	1374400	8	Present	3	None	None
Mr. Rajiv Garg	1750400	8	Present	2	None	None
Mr. Ujjwal Garg	900800	8	Present	1	None	None
Mr. Sanjay Sahni	None	8	Present	3	3	None
Mr. Avnish Dhingra	None	8	Present	3	None	None
Mrs. Misha Nayar*	None	6	Present	None	None	None

* Mrs. Misha Naya ceases to be director of the company w.e.f. 07th Februray 2026 due to sudden demise.

None of the director hold directorship in other listed entities except Mr. Sanjay Sahni.

- During the financial year 2025-26, the Board of Directors met 8 times on the following dates 07-04-2025, 30-05-2025, 13-08-2025, 23-09-2025, 14-11-2025, 31-12-2025, 13-02-2026 & 18-03-2026.

- 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. Avnish Dhingra as Chairman, Mr. Sanjay Sahni & Mrs. Misha Nayar as members.

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 Eight times during the year on 07-04-2025, 30-05-2025, 13-08-2025, 23-09-2025, 14-11-2025, 31-12-2025, 13-02-2026 & 18-03-2026 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. Avnish Dhingra as Chairman, Mr. Sanjay Sahni & Mrs. Misha Nayar as members.

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 30-05-2025, 13-08-2025, 14-11-2025, 31-12-2025, 13-02-2026 & 18-03-2026 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 (In Rs)	Total (In Rs)
1.	Mr. Sanjiv Garg	MD	5940000/-	59975/-	**5999975/-**
2.	Mr. Rajiv Garg	MD	5940000/-	59975/-	**5999975/-**
3.	Mr. Ujjwal Garg	WTD	5940000/-	353315/-	**6293315/-**

  (ii) Non Executive Directors
  Sitting fees of Rs. 80000 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. Mr. Avnish Dhingra, Director, as the Chairman and Sh. Sanjay Sahni and Sh. Rajiv Garg Directors as members.

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 2026 were Nil. No requests for transfer/ dematerialization were pending for approval as on 31st March, 2026.

Meeting & Attendance
The Stakeholder Relationship Committee met three time during the year on 07-04-2025, 31-12-2025 & 13-02-2026 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 14-11-2025 and 13-02-2026 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 31st December, 2026 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
Extra-ordinary General Meeting	18.03.2026	3.00 P.M	At the Registered Office A-50/1, Wazirpur Industrial Area, Delhi-52	Yes
41st AGM	29.09.2025	3.00 P.M	At the Registered Office A-50/1, Wazirpur Industrial Area, Delhi-52	No
40^{th} AGM	27.09.2024	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 2025-26.

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 31.03.2026.

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

- **42^{nd} Annual General Meeting:**
  Date: 06^{th} August 2026
  Time: 03.00 P.M.
  Venue: Registered Office A-50/1, Wazirpur Industrial Area, Delhi-52

- **Financial Year:** 1^{st} April 2025 to 31^{st} March 2026

- **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 2025-26**: The company's shares have not been traded during the financial year 2025-26, 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 2025-26.

- **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:** 82.00 % 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, 2026**

Range No. of Shares	Shareholders Numbers	Shareholders % of Total	Shares Numbers	Shares % of Total
Up To 500	208	46.22	3364.00	0.03
501 To 1000	91	20.22	72800.00	0.68
1001 To 2000	0	0.00	0.00	0.00
2001 To 3000	2	0.44	4800.00	0.05
3001 To 4000	19	4.22	76000.00	0.72
4001 To 5000	30	6.67	144000.00	1.35
5001 To 10000	76	16.89	478800.00	4.50
10000 and Above	24	5.33	9848716.00	92.66
Total	**450**	**100.00**	**10628480.00**	**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 31.03.2026, 8715920 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 2026, 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 BBB/ Stable
Non Fund Based ILC/FLC/BG	 15.50	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 the employees 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 purchase across 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 35% 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 and forms part of Annual Report.

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 2025-26.

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 2025-26 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 31.03.2026 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, 2026. 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 **Sanjiv Garg, Managing Director**
Dated: 08.07.2026 **DIN: 00217156**

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 31st March, 2026, 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: 08.07.2026

(CA AMARJIT KAMBOJ)
PARTNER
M. No. 082152
UDIN : 26082152MSMCQF5922

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, 2026 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	07.02.2026

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:08.07.2026
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 Financial Statements

Opinion

We have audited the accompanying financial statements of **GARG ACRYLICS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in equity and the statement of Cash Flows for the year ended on that date, and notes to the 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 "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2026, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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. 46 & 47 of financial statements respectively.

Information Other than the 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 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 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 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. We have nothing to report in this regard.

Management's Responsibility for the 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be 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 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 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, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 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 Financial Statements. Refer Note 37 to the 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.

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 : 26082152INPRVS5672

Place: Ludhiana
Dated: 30-05-2026

Annexure-A to Auditors' Report

Garg Acrylics Limited- Financial Year ended 31-03-2026

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, September 2025	Stock	35834.98	35834.98	0.00	*
	Book Debt	16086.84	16259.51	172.67	**
	Creditors	5216.92	5216.92	0.00	**
31, Mar 2026	Stock	35133.25	35171.12	37.87	*
	Book Debt	21308.01	21601.42	293.41	**
	Creditors	12786.13	13305.25	519.12	**

* 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 20th 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 20th 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 31.03.2026 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) According to the information and explanation given to us and based on our examination of records of the Company, the Company has raised money through Rights Issue during the year. The money was utilised for the purpose for which it was raised.

(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 2026.

(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.

(xxi) According to the information and explanation given to us, the Company does not have any Subsidiary/ Associates/ Joint Venture and there is no preparation of consolidated financial statements. Hence, the provisions stated in clause 3 (xxi) of the order are not applicable to the Company.

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

CA AMARJIT KAMBOJ
PARTNER
Membership No. 082152
UDIN : 26082152INPRVS5672

Place: Ludhiana
Dated: 30-05-2026

Annexure-B to Auditors' Report

Garg Acrylics Limited- Financial Year ended 31-03-2026

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, 2026 in conjunction with our audit of the 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, 2026, 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 : 26082152INPRVS5672

Place: Ludhiana
Dated: 30-05-2026

GARG ACRYLICS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2026

(₹ in lakh)

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
Assets			
1. Non-current assets			
(a) Property, Plant & Equipment			
-Owned Assets	3	37757.54	38962.35
-Leased Assets (Right of use assets)	4	1158.32	0.00
-Capital work-in-progress	5	175.77	0.00
-Intangible Assets	6	1.46	3.06
(b) Financial Assets			
- Investments	7	257.73	244.14
- Other financial assets	8	59.53	975.35
(c) Other Non Current assets	9	1895.39	466.54
Total Non-current assets		41305.74	40651.44
2. Current assets			
(a) Inventories	10	35133.25	36968.09
(b) Financial Assets			
- Investments	11	0.00	89.54
- Trade receivables	12	21308.01	16974.13
- Cash and cash equivalents	13	41.61	136.84
- Bank Balance other than above	14	1122.88	211.16
- Other financial assets	15	150.26	42.56
(c) Other current assets	16	15298.95	10616.74
Total Current assets		73054.96	65039.06
Total Assets		114360.70	105690.50
Equity and Liabilities			
Equity			
(a) Equity Share capital	17	1062.85	664.28
(b) Other Equity	18	49531.50	47549.18
Total Equity		50594.35	48213.46
Liabilities			
1. Non-current liabilities			
(a) Financial Liabilities			
- Borrowings	19	8575.96	10098.27
- Lease Liability	19	851.09	0.00
(b) Provisions	20	347.86	378.01
(c) Deferred tax liabilities (Assets) (Net)	21	539.84	109.07
Total Non-current liabilities		10314.75	10585.35
2. Current liabilities			
(a) Financial Liabilities			
- Borrowings	22	36942.48	38625.81
- Lease Liability	22	128.65	0.00
- Trade payables			
(a) Total outstanding dues of Micro and Small Enterprises	23(a)	323.00	125.16
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	23(b)	12463.13	6545.56
- Other financial liabilities	24	73.81	141.68
(b) Other current liabilities	25	3382.10	1283.47
(c) Provisions	26	138.43	170.02
Total Current liabilities		53451.60	46891.70
Total Equity and Liabilities		114360.70	105690.50
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 : 30-05-2026

Ramandeep Singh
Chief Financial Office

Priya Rani
Company Secretary

GARG ACRYLICS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in lakh except EPS)

	Particulars	Note No.	For the year ended 31st March 2026	For the year ended 31st March 2025
I.	Revenue from operations	27	181683.77	175369.82
II.	Other income	28	361.95	225.48
III.	Total Income (I+II)		182045.72	175595.30
IV.	Expenses :			
	Cost of materials consumed	29	117757.39	123570.73
	Purchases of stock-in-trade	30	9217.87	341.94
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	2017.65	(1176.13)
	Employee benefits expense	32	12194.15	11731.72
	Finance costs	33	5617.37	5731.08
	Depreciation and amortization expense	3,4,6	3697.01	3670.63
	Other expenses	34	29955.97	29959.90
	Total Expenses		180457.41	173829.87
V.	Profit(Loss) before exceptional items and tax (III-IV)		1588.31	1765.43
VI.	Exceptional Items	35	16.82	13.72
VII.	Profit(Loss) after exceptional items and before tax (V+VI)		1605.13	1779.15
VIII.	Tax expense:	43		
	(1) Current tax		0.00	0.00
	(2) Deferred tax Liability(Asset)		377.53	(354.95)
	(3) Prior Year Tax Provisions		1.37	(5.92)
IX.	Profit(Loss) for the year (VII-VIII)		1226.24	2140.02
X.	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss	45(f)		
	- Remeasurements of the defined benefit plans		211.53	243.87
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(53.24)	(61.38)
	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)		1384.54	2322.51
	Earnings per equity share	40		
	Basics - Par value of Rs.10 per share		11.61	32.22
	Diluted - Par value of Rs.10 per share		11.61	32.22
	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 : 30-05-2026

Ramandeep Singh
Chief Financial Office

Priya Rani
Company Secretary

GARG ACRYLICS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in lakh)

	For the year ended 31st March 2026	For the year ended 31st March 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	**1605.13**	1779.15
Adjustments for :		
Depreciation and amortisation	**3697.01**	3670.63
Interest expense	**5230.06**	5361.11
Fair Valuation Gain(-)Loss(+) on Investment	**-39.89**	-4.00
Deferrred Revenue on Capital Subsidy	**0.00**	-1.78
Interest income	**-300.48**	-215.16
Profit(-)/Loss(+) on sale of Assets(Net)	**-16.82**	-13.72
Gratuity Provision	**-61.73**	-84.32
Gratuity-Other Comprehensive income	**211.53**	243.87
Operating Profit before working capital changes	**10324.81**	10735.78
Adjustments for Changes in Working capital:		
Increase(-)/Decrease(+) in Trade and other Receivables	**-9123.83**	-94.04
Increase(-)/Decrease(+) in Inventories	**1834.83**	3132.79
Increase(+)/(Decrease)(-) in Trade Payables and other Liabilities	**8146.17**	-1760.76
Cash generated from Operations	**11181.99**	12013.77
Net income tax paid	**-1.37**	5.92
Net Cash flow from(+)/used in(-) Operating Activities	**11180.62**	12019.69
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	**-3828.04**	-1898.05
Proceeds from sale of Fixed Assets	**20.16**	17.03
Increase(-)/Decrease(+) in Investments	**115.84**	-70.00
Increase(-)/Decrease(+) in Capital Advances/deposits	**-513.03**	-692.28
Interest income	**300.48**	215.16
Net Cash flow from(+)/used in(-) Investing Activities	**-3904.59**	-2428.14
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds(+)/Repayment(-) from Long Term Borrowings (Net)	**-672.87**	-2400.55
Proceeds(+)/Repayment(-) from Short Term Borrowings (Net)	**-1554.68**	-2131.87
Proceeds from Issue of Right Shares	**996.42**	0.00
Interest Paid	**-5228.41**	-5361.11
Net Cash flow from(+)/used in(-) Financing Activities	**-6459.54**	-9893.53
Net Increase in cash and cash equivalents	**816.50**	-301.98
Cash and cash equivalents at the beginning of the year	**348.00**	649.98
Cash and cash equivalents at the end of the year	**1164.49**	348.00
Cash and Cash Equivalent include:-		
Cash In hand	**39.49**	132.60
In Current Accounts	**2.12**	4.24
In Deposits Accounts	**1122.88**	211.16
Total	**1164.49**	348.00

The accompanying notes are integral part of these financial statements **1 to 56**

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

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 : 30-05-2026

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 2026 Number	Amount	As at 31st March 2025 Number	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	**3985680**	**0.00**	0	0.00
Balance at the end of reporting period	**10628480**	**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 2025	7636.57	7575.12	29590.93	2000.00	746.54	47549.16
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	29590.93	2000.00	746.54	47549.16
Addition during the Year	597.85					597.85
Total Comprehensive income for the year	0.00	0.00	1226.19	0.00	158.30	1384.49
Transfer to General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March 2026	**8234.42**	**7575.12**	**30817.12**	**2000.00**	**904.84**	**49531.50**
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	2140.02	0.00	182.49	2322.51
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**	**29590.93**	**2000.00**	**746.54**	**47549.16**

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
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C.A. AMARJIT KAMBOJ
PARTNER
Membership No. 082152

Place : Ludhiana
Dated : 30-05-2026

Ramandeep Singh
Chief Financial Officer

Priya Rani
Company Secretary

NOTES

forming part of Financial statements for the year ended March 31, 2026

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 and going concern 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) Leased Assets

At the date of commencement of the lease, the Company recognises a right-of-use asset (" ROU ") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short- term leases) and leases of low value assets. For the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of- use assets are depreciated from the commencement date on a straight-line basis over the useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

(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 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,
- 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.

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

Owned Assets (₹ in lakh)

Particulars	Original Cost: Balance as at 1st April, 2025	Original Cost: Additions	Original Cost: Disposals	Original Cost: Balance as at 31st March, 2026	Depreciation and Amortization: Balance as at 1st April, 2025	Depreciation and Amortization: Depreciation/ amortisation expense for the year	Depreciation and Amortization: Eliminated on disposal of assets	Depreciation and Amortization: Balance as at 31st March, 2026	Net Block: Balance as at 31st March, 2026	Net Block: Balance as at 31st March,2025
Free-hold Land	3233.10	0.00	0.00	**3233.10**	0.00	0.00	0.00	**0.00**	**3233.10**	3233.10
Buildings	22086.70	84.35	0.00	**22171.05**	8138.06	678.40	0.00	**8816.46**	**13354.59**	13948.64
Plant and Equipment	98220.59	2248.96	66.92	**100402.63**	77127.51	2852.40	63.58	**79916.33**	**20486.30**	21093.08
Vehicles	1161.27	113.84	0.00	**1275.11**	579.40	119.14	0.00	**698.54**	**576.57**	581.87
Office equipment	284.56	13.81	0.00	**298.37**	248.52	11.85	0.00	**260.37**	**38.00**	36.04
Furniture and Fixtures	271.87	10.31	0.00	**282.18**	202.26	10.94	0.00	**213.20**	**68.98**	69.61
Total	125258.09	2471.27	66.92	127662.44	86295.75	3672.73	63.58	89904.90	37757.54	38962.34

(₹ in lakh)

Particulars	Original Cost: Balance as at 1st April, 2024	Original Cost: Additions	Original Cost: Disposals	Original Cost: Balance as at 31st March, 2025	Depreciation and Amortization: Balance as at 1st April, 2024	Depreciation and Amortization: Depreciation/ amortisation expense for the year	Depreciation and Amortization: Eliminated on disposal of assets	Depreciation and Amortization: Balance as at 31st March, 2025	Net Block: Balance as at 31st March, 2025	Net Block: 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

4 **Leased Assets** (₹ in lakh)

Particulars	Original Cost				Depreciation and Amortization				Net Block	
	Balance as at 1st April, 2025	Additions	Disposals	Balance as at 31st March, 2026	Balance as at 1st April, 2025	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31st March, 2026	Balance as at 31st March, 2026	Balance as at 31st March,2025
Solar Plant	0.00	1181.00	0.00	1181.00	0.00	22.68	0.00	22.68	1158.32	0.00
Total	0.00	1181.00	0.00	1181.00	0.00	22.68	0.00	22.68	1158.32	0.00

Leased Assets

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
Solar Plant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
		(₹ in lakh)
5 Capital Work in Progress		
Balance at the beginning	0.00	233.69
Additions	2509.08	1806.81
Less: Capitalised during the year	2333.31	2040.50
Balance at the year end	175.77	0.00

Capital work in progress ageing schedule as at March 31,2026

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	175.77	0.00	0.00	0.00	175.77
Projects temporarily suspended	Nil	Nil	Nil	Nil	Nil
Total	175.77	0.00	0.00	0.00	175.77

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

6 Intangible Assets

(₹ in lakh)

Particulars	Original Cost				Depreciation and Amortization				Net Block	
	Balance as at 1st April, 2025	Additions	Disposals	Balance as at 31st March, 2026	Balance as at 1st April, 2025	Depreciation/ Amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31st March, 2026	Balance as at 31st March, 2026	Balance as at 31st March,2025
Intangible Assets:										
Computer Softwares	14.26	0.00	0.00	**14.26**	11.20	1.60	0.00	**12.80**	**1.46**	3.06
Total	14.26	0.00	0.00	14.26	11.20	1.60	0.00	12.80	1.46	3.06

(₹ 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

Intangible Assets are not internally generated.

7 Investments (Non Current)

(₹ in lakh)

Particulars		As at 31st March 2026	As at 31st March 2025
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		33.41	6.46
(ii) Investment in Equity Instruments (Quoted)		0.04	0.09
196 Equity Shares of Rs. 10/- each fully paid up of Punjab & Sind Bank			
(iii) Investment in Mutual Funds (Unquoted)			
Axis Small Cap Fund	2157.533 Units (Prev. Year 41043.488 Units)	2.33	45.18
ICICI Prudential Mutual Fund	196906.849 Units (Prev. Year 0 Units)	123.04	0.00
Kotak Midcap Fund (Formerly Kotak Emerging Equity Fund)	1622.844 Units (Prev. Year 34039.686 Units)	2.31	46.41
Kotak Nifty Midcap 150 Momentum 50 Index Fund	113334.467 Units (Prev. Year 0 Units)	9.33	0.00
Nippon India Small Cap Fund	4029.525 Units (Prev. Year 25948.63 Units)	6.16	43.00
Nuvama Crossover Opportunities Fund-Series III B-Coll.Account	821494.855 Units (Prev. Year 646184.948 Units)	78.77	59.89
Pgim India Midcap Opportunities Fund	3579.763 Units (Prev. Year 64288.924 Units)	2.34	43.11
		257.73	244.14
Agreegate amount of Quoted Investments		0.04	0.09
Market Value of Quoted Investments		0.04	0.09
Agreegate amount of Unquoted Investments		257.69	244.05
Agreegate amount of impairement in value of Investments		0.00	0.00

8 Other Financial Assets (Non Current)

Particulars	As at 31st March 2026	As at 31st March 2025
Financial assets at amortized cost		
Fixed Deposits with banks having more than twelve months maturity (refer note 14)	57.21	943.93
Interest Receivable on above FDR	2.32	31.42
Total	59.53	975.35

9 Other Non Current Assets

Particulars	As at 31st March 2026	As at 31st March 2025
Capital Advances against Building & Machinery	1895.39	466.54
Total	1895.39	466.54

10 Inventories

Particulars	As at 31st March 2026	As at 31st March 2025
At cost or net realisable value, whichever is lower		
Raw materials	19467.34	19370.49
Work-in-progress	5674.49	4568.50
Finished Goods	9006.63	12130.27
Stores, Spares & Packing Material	984.80	898.82
Total	35133.25	36968.09

11 Investments (Current)

Particulars	As at 31st March 2026	As at 31st March 2025
Trade Investments (At Cost)		
In Capital of Partnership Firm		
Garg International	0.00	89.54
	0.00	89.54

The Company was one of the partners in the partnership firm M/s Garg International up to 31.03.2025. Previous year details of partners and profit-sharing ratio were 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 as at 31.03.2025 was Rs.is Rs. 8984416.95. The amount outstanding as on 31.03.2025 towards capital invested in the said firm has been received back.

12 Trade Receivables

(₹ in lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Unsecured, considered good		
Receivable from related parties	0.00	22.64
Receivable from others	21308.01	16951.49
Doubtful	0.00	0.00
Total	21308.01	16974.13

Ageing for Trade Receivables

Undisputed Trade receivables considered good		
Not due	12691.76	10831.02
Less than 6 months	7299.70	4733.08
6 months to 1 year	246.51	154.29
1-2 years	70.04	211.88
2-3 years	88.76	154.03
More than 3 years	911.24	889.83
	21308.01	16974.13

13 Cash and cash equivalents

Particulars	As at 31st March 2026	As at 31st March 2025
a) Balances with banks		
- In current accounts	2.12	4.24
b) Cash on hand	39.49	132.60
Total	41.61	136.84

14 Bank Balances other than Cash and cash equivalents

Particulars	As at 31st March 2026	As at 31st March 2025
Other bank balances		
- Fixed Deposits with more than twelve months maturity held as margin money - Rs 57.21 lacs (Prev. Year 769.10 Lacs)	57.21	943.93
- Fixed Deposits with less than twelve months maturity including Deposits held as margin money - Rs 950.93 lacs. (Prev.Year 51.00 lacs)	1122.88	211.16
Sub-Total	1180.09	1155.09
Less: Amounts disclosed as other financial assets (non current)(refer note 8)	57.21	943.93
Total	1122.88	211.16

15 Other financial assets (Current)

Particulars	As at 31st March 2026	As at 31st March 2025
Financial assets at amortized cost		
Interest receivables	101.40	3.83
Other Receivables	48.86	38.73
Total	150.26	42.56

16 Other Current Assets

Particulars	As at 31st March 2026	As at 31st March 2025
(unsecured considered good, unless otherwise stated)		
Advances to suppliers	8528.80	3451.66
Balance with government authorities	4869.21	4963.97
Prepaid expenses	368.80	173.44
Other Recoverables	1532.14	2027.67
Total	15298.95	10616.74

17 SHARE CAPITAL

(₹ in lakh exept numbers)

Particulars	As at 31st March 2026		As at 31st March 2025	
	Number	Amount	Number	Amount
Authorised				
Equity shares of Rs. 10/- each (par value)	**21200000**	**2120.00**	21200000	2120.00
6% Non-Cumulative Redeemable Preference Shares of 10/- each	**10000000**	**1000.00**	10000000	1000.00
Total	**31200000**	**3120.00**	31200000	3120.00
Issued, subscribed and fully paid-up				
i) Equity shares of Rs. 10/- each	10628480	1062.85	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 2026		As at 31st March 2025	
	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	**3985680**	**398.57**	0	0.00
Outstanding at the end of the reporting period	**10628480**	**1062.85**	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 2026		% of change During the year
	Number	% shareholding	
Sanjiv Garg	1374400	**12.93**	**7.30%**
Sanjiv Garg & Sons (HUF)	800	**0.01**	**0.00%**
D.P Garg & Sons (HUF)	133440	**1.26**	**-0.75%**
Renu Garg	424800	**4.00**	**-2.40%**
Neelu Garg	556800	**5.24**	**4.38%**
Ujjwal Garg	900800	**8.48**	**7.86%**
Rajiv Garg	1750400	**16.47**	**11.50%**
Rajiv Garg & Sons (HUF)	800	**0.01**	**0.00%**
Toshak Garg	56800	**0.53**	**-0.32%**
Shubham Yarns Private Limited	1497520	**14.09**	**-8.45%**
Gal Cottex Private Limited	1063920	**10.01**	**-6.01%**
Pushpa Yarns Private Limited	25600	**0.24**	**-0.14%**
DPG Textiles Limited	92640	**0.87**	**-0.52%**
Arun Nanda	80	**0.00**	**0.00%**
Vimal Nanda	80	**0.00**	**0.00%**
Sunil Nanda	80	**0.00**	**0.00%**
Ravi Nanda	80	**0.00**	**0.00%**
Raj Nanda	80	**0.00**	**0.00%**
Jagdish.K.Jain	80	**0.00**	**0.00%**
Arun.K. Aggarwal	80	**0.00**	**0.00%**

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

	As at 31st March 2026		As at 31st March 2025	
	Number	% shareholding	Number	% shareholding
Shubham Yarns Private Limited	1497520	**14.09**	1497520	22.54
GAL Cottex Private Limited	1063920	**10.01**	1063920	16.02
Himachal Yarns Limited	636720	**5.99**	636720	9.59
Sanjiv Garg	1374400	**12.93**	374400	5.64
Rajiv Garg	1750400	**16.47**	330400	4.97
Renu Garg	424800	**4.00**	424800	6.39
Neelu Garg	556800	**5.24**	56800	0.86
Ujjwal Garg	900800	**8.48**	40800	0.61
Sumit Aggarwal	360000	**3.39**	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

18 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 2025	7636.57	7575.12	29590.93	2000.00	746.54	47549.17
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	29590.93	2000.00	746.54	47549.16
Addition during the Year	597.85					597.85
Total Comprehensive income for the year			1226.19		158.30	1384.49
Transfer to General Reserve	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31 March 2026	**8234.42**	**7575.12**	**30817.12**	**2000.00**	**904.84**	**49531.50**
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			2140.02		**182.49**	2322.51
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**	**29590.93**	**2000.00**	**746.54**	**47549.18**

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.

19 Borrowings (Non Current)

(₹ in lakh)

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Secured		
Term Loans From banks (Net of unamortized processing charges)	**10666.68**	**12231.44**
Less: Current maturities (refer note-22)	**2214.80**	**2275.76**
Sub Total	**8451.88**	**9955.68**
Vehicles Loans from Banks	**222.83**	**253.57**
Less: Current maturities (refer note-22)	**98.75**	**110.98**
Sub Total	**124.08**	**142.59**
Total Borrowings (Non Current)	**8575.96**	**10098.27**

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 repayable in quarterly installments.

Vehicle Loans from bank are repayable in monthly installments.

Leased Liability	**979.74**	**0.00**
Less: Current maturities of leased liability (refer note-22)	**128.65**	**0.00**
Total Lease Liability (Non Current)	**851.09**	**0.00**

Leased Liability is secured by Personal Guarantee of the Promoter Directors.

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

(₹ in lakh)

Year Ended	**Term Loans**	**Vehicle Loans**	**Leased Liability**
3/31/2028	2093.12	99.88	145.21
3/31/2029	2035.68	19.21	163.92
3/31/2030	1560.41	2.39	185.07
3/31/2031	1497.76	2.60	208.95
3/31/2032	1264.91	0.00	142.31
3/31/2033	0.00	0.00	5.63

20 Provisions (Non Current)

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Provision for employee benefits : Gratuity (Refer Note no. 45)	**347.86**	**378.01**
Total	347.86	378.01

21 Deferred tax liabilities (net)

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
Deferred tax liabilities Gross deferred tax liability (A) [Refer note 43(a)]	**1198.68**	**930.46**
Deferred tax assets Gross deferred tax asset (B) [Refer note 43(a)]	**658.84**	**821.39**
Deferred tax liability (Net) (A-B)	**539.84**	**109.07**

22 Borrowings (Current)

(₹ in lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Working capital loans - From banks (secured)	**34628.93**	**36239.07**
Current maturities of non current debt	**2313.55**	**2386.74**
Total	36942.48	38625.81

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.

Lease Liability (Current Maturity)	**128.65**	**0.00**

Leased Liability is secured by Personal Guarantee of the Promoter Directors.

23(a) Trade payables to Micro and Small Enterprises

Particulars	As at 31st March 2026	As at 31st March 2025
Trade payables		
Disputed dues	**0.00**	**0.00**
Due to others (refer note no.41)	**323.00**	**125.16**
Total	323.00	125.16
Ageing for Trade Payables		
Not due	308.29	125.14
Less than 45 days	14.71	0.02
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

23(b) Trade payables to Others

Particulars	As at 31st March 2026	As at 31st March 2025
Trade payables		
Disputed dues	**25.72**	**0.37**
Due to others	**12437.41**	**6545.20**
Due to related parties	**0.00**	**0.00**
Total	12463.13	6545.57
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	25.72	0.37
	25.72	0.37
Ageing for Trade Payables (others)		
Not due	11774.30	5972.17
Less than 1 year	644.96	524.83
1-2 years	15.62	47.85
2-3 years	2.53	0.35
More than 3 years	0.00	0.00
	12437.41	6545.20

24 Other financial liabilites (Current)

(₹ in lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Financial liabilities at amortized cost		
Other Financial Liabilities	73.81	141.68
Total	73.81	141.68

25 Other current liabilities

Particulars	As at 31st March 2026	As at 31st March 2025
Statutory remittances*	130.64	181.58
Advances from customers**	2488.02	216.59
Expense payable	763.44	880.32
Other Payables	0.00	4.98
Total	3382.10	1283.47

* Statutory remittances include contribution to provident fund, ESI, TDS, TCS & G.S.T. etc.
** Includes advance from related party Rs 268.82 lacs (Prev Year Nil) (Refer Note No 42)

26 Provisions

Particulars	As at 31st March 2026	As at 31st March 2025
Provision for employee benefits :Gratuity (refer note 45)	138.43	170.02
Total	138.43	170.02

27 Revenue from operations

Particulars	As at 31st March 2026	As at 31st March 2025
Sale of products (excluding G.S.T)	179204.74	171790.90
Other operating revenues - Export benefits	2674.76	3134.04
Gain(Loss) on foreign currency transactions and translations (Net)	-195.73	444.88
Total	181683.77	175369.82

28 Other income

Particulars	As at 31st March 2026	As at 31st March 2025
Interest Income on banks deposits	99.01	71.02
Interest on delayed payments	191.51	136.98
Interest on Income tax refund	9.96	7.16
Deferred Revenue on Capital Subsidy	0.00	1.78
Deemed gain(loss) on Fair Value of Investment	39.89	4.00
Share of Profit from Partnership Firm	0.00	0.01
Miscellaneous Income	21.58	4.53
Total	361.95	225.48

29 Cost of materials consumed

Particulars	As at 31st March 2026	As at 31st March 2025
Inventory at the beginning of the year	19370.48	23943.30
Add: Purchases during the year	117854.25	118997.91
Less: Inventory at the end of the year	19467.34	19370.48
Cost of materials consumed	117757.39	123570.73
Broad Category for Raw Material Consumed		
Synthetic Fibre	21390.43	19907.33
Cotton Fibre	92530.65	100876.80
Fabric,Yarn for Garments	3017.97	1778.77
Others (Semi Finished yarns)	818.34	1007.83
	117757.39	123570.73

30 Purchases of Stock-in-trade:

Particulars	As at 31st March 2026	As at 31st March 2025
Synthetic/Cotton Fibre	9217.87	0.00
Synthetic/Cotton Yarn	0.00	341.94
Total	9217.87	341.94

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

(₹ in lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Inventories at the beginning of the year		
Work-in-progress	**4568.50**	**3966.89**
Finished goods	**12130.27**	**11555.75**
Sub Total	16698.77	15522.64
Inventories at the end of the year		
Work-in-progress	**5674.49**	**4568.50**
Finished goods	**9006.63**	**12130.27**
Sub Total	14681.12	16698.77
Total Change in inventories	2017.65	-1176.13

32 Employee benefits expense

Particulars	As at 31st March 2026	As at 31st March 2025
Salaries and wages	**11377.03**	**10910.85**
Contribution to provident and other funds	**550.37**	**565.21**
Conveyance Expenses-Workers	**266.75**	**255.66**
Total	12194.15	11731.72

33 Finance costs

Particulars	As at 31st March 2026	As at 31st March 2025
Interest expense	**5228.41**	**5361.11**
Notional amortisation of Processing Fees	**1.65**	**0.00**
Other borrowing costs	**387.31**	**369.97**
Total	5617.37	5731.08

34 Other expenses

Particulars	As at 31st March 2026	As at 31st March 2025
Power & Fuel	**15164.58**	**15254.22**
Consumption of Stores and Spares	**5609.11**	**5011.18**
Job Charges	**942.11**	**888.16**
Repairs to Machinery	**2234.28**	**2380.24**
Repairs to Building	**91.66**	**96.08**
Repair Others	**39.45**	**28.36**
Insurance	**276.71**	**223.39**
Vehicle Maintenance	**116.51**	**116.92**
Travelling & Conveyance Expenses	**178.19**	**151.19**
Postage Courier & Telephone	**35.54**	**43.12**
Auditors Remuneration		
-Audit Fee	**8.00**	**8.00**
-Tax Audit Fee	**5.00**	**5.00**
-Cost Audit Fee	**0.55**	**0.55**
Legal & Professional Charges	**120.95**	**178.22**
Rates and Taxes	**81.48**	**45.81**
Listing Fee	**0.55**	**0.55**
Printing & Stationery	**33.45**	**32.41**
Subscription & Periodicals	**5.31**	**7.01**
General Expenses	**136.62**	**101.48**
Corporate Social Responsibility Expenses (Note 52)	**5.65**	**205.47**
Charity & Donation	**5.04**	**2.98**
Recruitment Expenses	**3.20**	**7.14**
Export Expenses	**2374.31**	**2544.38**
Carriage Outward	**822.16**	**763.50**
Advertisement and Sales Promotion	**46.38**	**28.30**
GST paid	**0.84**	**124.37**
Selling Expenses	**760.22**	**925.14**
Brokerage and Commission	**858.12**	**786.73**
Total	29955.97	29959.90

35 Exceptional Items

Particulars	As at 31st March 2026	As at 31st March 2025
Profit(+)/Loss(-) on disposal of Property, plant and equipment	**16.82**	**13.72**
	16.82	13.72

36(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 2026 (₹ 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 7)				257.73	257.73	257.73
Other financial non-current assets (Refer Note 8)		59.53			59.53	59.53
Investments (Current) (Refer Note 11)	0.00				0.00	0.00
Trade receivables (Refer Note 12)		21308.01			21308.01	21308.01
Cash and Cash Equivalents (Refer Note 13)		41.61			41.61	41.61
Other Bank Balances (Refer Note 14)		1122.88			1122.88	1122.88
Other financial assets (Current) (Refer Note 15)		150.26			150.26	150.26
Total	0.00	22682.29	0.00	257.73	22940.02	22940.02
Liabilities:						
Borrowings (Non Current) (Refer Note 19)		9427.05			9427.05	8575.96
Borrowings (Current) (Refer Note 22)		37071.13			37071.13	37071.13
Trade Payables (Refer Note 23 (a) &(b)		12786.13			12786.13	12786.13
Other financial liabilities (Current) (Refer Note 24)		73.81			73.81	73.81
Total	0.00	59358.12	0.00	0.00	59358.12	58507.03

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 7)				244.14	244.14	244.14
Other financial non-current assets (Refer Note 8)		975.35			975.35	975.35
Investments (Current) (Refer Note 11)	89.54				89.54	89.54
Trade receivables (Refer Note 12)		16974.13			16974.13	16974.13
Cash and Cash Equivalents (Refer Note 13)		136.84			136.84	136.84
Other Bank Balances (Refer Note 14)		211.16			211.16	211.16
Other financial assets (Current) (Refer Note 15)		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 19)		10098.27			10098.27	10098.27
Borrowings (Current) (Refer Note 22)		38625.81			38625.81	38625.81
Trade Payables (Refer Note 23 (a) &(b)		6670.72			6670.72	6670.72
Other financial liabilities (Current) (Refer Note 24)		141.68			141.68	141.68
Total	0.00	55536.48	0.00	0.00	55536.48	55536.48

36 (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 2026 **(₹ in lakh)**

Particulars	Fair Value	Fair Value measurement using		
		Level 1	Level 2	Level 3
Long term Investments				
Fair Value through Profit and Loss	257.73	0.04	33.41	224.28

As at 31st March 2025

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	237.59

37 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, 2026**	**As at 31st March, 2025**
(i) Bank Guarantees	1448.60	1441.83
(ii) Litigation under the Income Tax Act, 1961	0.00	0.00

38 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.

39 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.

40 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	**31.03.2026**	**31.03.2025**
Net Profit after tax attributable to equity shareholders (A)	**1226.24**	2140.02
Weighted average number of equity shares (B)	**10562962.00**	6642800.00
Basic earning per Share (A)/(B)	**11.61**	32.22
Diluted earning per Share (A)/(B)	**11.61**	32.22
Face value per equity share	**Rs. 10.00**	Rs. 10.00

41 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, 2026	As at 31st March, 2025
1	Principal amount remaining unpaid to any supplier as at the end of accounting period	**323.00**	**125.16**
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.

42 Related Party Disclosure

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

1	Holding/Subsidiary	NIL
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	**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					917.74	544.95
KMP Remuneration	182.93	173.39	59.24	54.44		
Year end balance receivable(+)payable(-)					-268.82	22.64

43 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 2024	**Movement during 2024-25**	**As at 31st March 2025**	**Movement during 2025-26**	**As at 31st march 2026**
Deferred tax Liability					
Impact of Depreciation	575.45	351.17	926.62	267.99	**1194.61**
Fair valuation Gain on investments	5.76	(1.92)	3.84	0.23	**4.07**
Sub Total (A)	581.21	349.25	930.46	268.22	**1198.68**
Deferred tax Asset					
Impact of Unabsorbed Depreciation	0.00	669.63	669.63	(148.73)	**520.90**
Impact of Unamortised Processing Fees	12.88	(2.58)	10.30	1.51	**11.81**
Government Grants	0.45	(0.45)	0.00	0.00	**0.00**
Gratuity	159.15	(21.22)	137.93	(15.54)	**122.39**
Punjab Labour Welfare Fund	6.08	(2.55)	3.53	0.21	**3.74**
Sub Total (B)	178.56	642.83	821.39	(162.55)	**658.84**
Deferred tax liability (Net) (A-B)	402.65	(293.58)	109.07	430.77	**539.84**

(b) Reconciliation of Deferred tax liabilities (net)

Particulars	**Current year**	**Previous year**
Deferred tax liability at the beginning of the year	**109.07**	402.65
Deferred tax (income)/expenses during the year recognized in Statement of Profit and loss	**377.53**	(354.95)
Deferred tax (income)/expenses during the year recognized in Other Comprehensive income	**53.24**	61.38
Deferred tax liability at the end of the year	**539.84**	109.07

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

Particulars	**Current year**	**Previous year**
Accounting profit before tax	**1605.13**	1779.15
Tax at statutory income tax rate of 25.168%	**403.98**	447.78
Tax effect of the amounts not deductible for computing taxable income		
Depreciation difference	**(922.61)**	(1205.12)
Disallowances	**39.07**	52.46
Unabsorbed Depreciation c/f	**520.90**	669.63
43B Disallowances	**39.46**	40.16
Deductions/Exemption/Non Taxable items	**(71.17)**	(3.46)
Fair valuation Gain on investments	**(10.04)**	(1.01)
Deferred Revenue	**0.00**	(0.45)
Notional Interest	**0.41**	0.00
Income tax expense	**0.00**	0.00

44 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 hold any benami property under the Benami Transactions (Prohibition) Act, 1988 and no proceedings has been initiated or is 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.

45 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	**548.02**	632.34
Interest cost	**38.00**	45.39
Past service cost	**0.00**	0.00
Current service cost	**122.01**	125.01
Benefits Paid	**(10.21)**	-10.85
Actuarial gain(-)/ loss(+) on Obligations	**(211.53)**	-243.87
Present value of obligation as at end of the year	486.29	548.02

(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	**486.29**	548.02
Fair value of Plan Assets as at end of the year	**0.00**	0.00
Funded Status	**(486.29)**	(548.02)
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	**122.01**	125.01
Interest cost	**38.00**	45.39
Expected Interest Income	**0.00**	0.00
Total Expenses recognised in Profit & Loss Account	160.02	170.40

(f) OCI Recognized:

Particulars	Current Year	Previous Year
Actuarial gain(-)/ loss(+) for the year on Projected Benefit Obligation	**(211.53)**	(243.87)
Actuarial (gain)/loss for the year on Asset	**0.00**	0.00
Unrecognized actuarial (gain)/loss at the end of the year	(211.53)	(243.87)

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

Particulars	Current Year	Previous Year
Discount Rate (per annum)	**7.85%**	7.00%
Rate of increase in compensation levels (per annum)	**6.00%**	6.00%
Expected Average remaining working lives of employees (years)	**20.78**	22.38
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 31.03.2026	As at 31.03.2025
Discount Rate		
1.00% Increase	**(4.82)**	(3.65)
1.00% decrease	**4.94**	3.75
Future Salary increase		
1.00% Increase	**14.76**	15.68
1.00% decrease	**(14.12)**	(15.01)
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 31.03.2026	As at 31.03.2025
Within 1 year	**142.45**	**174.97**
1-5 years	**300.90**	**324.76**
Beyond 5 years	**189.28**	**183.90**
Total expected payments	**632.64**	683.63

46 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 35% 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 2026	As at 31st March 2025
A) Exposure on account of Financial Assets		
Trade receivables (net of bill discounted) (A)		
-In USD	**5641205.76**	4892592.20
-In Euro	**240.00**	0.00
-In GBP	**125753.07**	143889.10
-In CHF	**0.00**	0.00
Amount hedged through forwards (B)		
-In USD	**5641205.76**	4892592.20
-In Euro	**240.00**	0.00
-In GBP	**125753.07**	143889.10
-In CHF	**0.00**	0.00
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 2026	As at 31st March 2025
B) Exposure on account of Financial Liabilities		
Borrowings, Trade & Other Payables (D)		
-In USD	**9072029.20**	7066631.52
-In Euro	**81332.78**	41546.90
-In GBP	**57728.93**	206725.80
Amount Hedged through forwards (E)		
-In USD	**9072029.20**	7066631.52
-In Euro	**81332.78**	41546.90
-In GBP	**57728.93**	206725.80
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	2025-26 (Average exchange rate)	2024-25 (Average exchange rate)	2025-26 (Year end rates)	2024-25 (Year end rates)
INR/USD	**90.21**	**84.57**	**94.65**	**85.76**
INR/EURO	**102.83**	**93.43**	**109.01**	**96.65**
INR/GBP	**118.25**	**108.08**	**125.63**	**110.86**
INR/JPY	**0.58**	**0.59**	**0.59**	**0.57**
INR/CHF	**106.81**	**94.54**	**116.98**	**96.65**

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-26	As at 31-Mar-25
10% Strengthening/weakening of USD against INR	**(324.74)**	(186.45)
10% Strengthening/weakening of Euro against INR	**(8.84)**	(4.02)
10% Strengthening/weakening of GBP against INR	**8.55**	(6.97)
10% Strengthening/weakening of CHF against INR	**0.00**	0.00

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-26	As at 31-Mar-25
Variable rate instruments		
Long term borrowings	**8575.96**	10098.27
Current maturities of long term debt	**2313.55**	2386.74
Short term borrowings	**34628.93**	36239.07

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-26	As at 31-Mar-25
Increase/ decrease in 100 basis point	**551.87**	572.28

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-26	As at 31-Mar-25
(a) Revenue from top five customers		
- Amount of sales	**32,122.92**	24,931.64
- % of Total sales	**17.93**	14.51
(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 12.

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-26**	**As at 31-Mar-25**
Borrowings/Leased Liabilities		
0-1 years	**2442.20**	2386.74
2-3 years	**4557.02**	4005.25
4-5 years	**3457.18**	3546.53
More than 5 years	**1412.86**	2546.49
Trade Payables		
0-1 years	**12742.26**	6622.16
2-3 years	**18.15**	48.20
3-5 years	**25.72**	0.37
More than 5 years	**0.00**	0.00
Other Financial liabilities		
0-1 years	**73.81**	141.68
2-3 years	**0.00**	0.00
3-5 years	**0.00**	0.00
More than 5 years	**0.00**	0.00

47 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 31.03.2026**	**Financial Year ended 31.03.2025**
Borrowings	**46498.18**	48724.08
Less: Cash and cash equivalents	**1164.49**	348.00
Net debt	**45333.69**	48376.08
Total equity	**50594.35**	48213.46
Gearing ratio (Net Debt to Equity)	**0.90**	1.00

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year ended 31st March 2026.

There were no changes in the objectives, policies or processes for managing capital during the year ended 31 March 2026 (31 March 2025).

48 **Assets pledged as Security:-**

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

	As at 31st March 2026	**As at 31st March 2025**
Current Assets		
Financial Assets		
Trade receivables	**21,308.01**	16,974.13
Non-Financial Assets		
Inventory	**35,133.25**	36,968.09
Total Current Assets Pledged as Security	**56,441.26**	53,942.22
Non Current Assets		
Property, Plant & Equipment	**37,757.54**	38,962.35
Total Non Current Assets Pledged as Security	**37,757.54**	38,962.35
Total Assets Pledged as Security	**94,198.80**	92,904.57

49 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.

50 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 30/9/2025			
Value as per books of account	35834.98	16086.84	5216.92
Value as per quarterly statement	35834.98	16259.51	5216.92
Difference	0.00	172.67 **	0.00
Quarter Ended 31/03/2026			
Value as per books of account	35133.25	21308.01	12786.13
Value as per quarterly statement	35171.12	21601.42	13305.25
Difference	37.87 *	293.41 **	519.12 **

***** 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 20th 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 20th of next month taking into account Cheque Returned /payment returned /received, hence the difference.

51 Ratios

The following are analytical ratios for the year ended March 31, 2026 and March 31, 2025.

Particulars	Numerator	Denominator	As at 31st March 2026	As at 31st March 2025	VARIANCE %
Current Ratio	Current assets	Current liabilities	1.37	1.39	(1.44)
Debt - Equity Ratio	Total Debt	Shareholder's Equity	0.92	1.01	(8.91)
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	1.32	1.40	(5.71)
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	0.02	0.05	60(*1)
Inventory Turnover	Cost of Goods sold	Average Inventory	4.68	4.20	11.43
Trade receivables turnover ratio	Revenue	Average Trade Receivable	9.35	9.37	(0.21)
Trade payables turnover ratio	Purchases	Average Trade Payables	13.06	15.53	(15.90)
Net capital turnover ratio	Revenue	Working Capital	9.27	9.66	(4.04)
Net profit ratio	Net Profits after taxes	Revenue	0.67	1.22	45.08(*2)
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	7.38	7.72	(4.40)
Return on Investment(ROI)					
Unquoted	Income generated from investments	Time weighted average investments	33.48	3.48	862.07(*3)
Quoted	Income generated from investments	Time weighted average investments	(52.59)	(27.06)	94.35(*4)

(*1) -Due to increase in shareholder's equity consequent upon issue of fresh equity capital, the ratio has decreased more than 25% over the previous year.

(*2) -Due to lower demand, the finished goods have to be sold on unremunerative prices and has resulted in lower profits, hence the ratio has decreased more than 25% over the previous year.

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

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

52 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 2026	As at 31st March 2025
i) Amount required to be spent by the company during the year (Net of excess paid in last fy)		0	171.77
ii) Amount of expenditure incurred	:	5.65	205.47
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	:	39.35	33.70
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	5.65	205.47

53 The code on Social Security 2020

The Government of India, vide notification dated November 21, 2025, has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, the Occupational Safety, Health and Work Conditions Code, 2020 (collectively referred to as "the Labour Codes"), which consolidate and replace existing multiple labour legislations. In accordance with Ind AS 19 employee benefits, changes to employee benefit plans resulting from the new labour codes are treated as Plan amendments, requiring immediate recognition of the past service cost as expense in the statement of profit and loss. This approach is consistent with the guidance issued by the Institute of Chartered Accountants of India. In view of this, Company has evaluated that as per the company's existing compensation structure, basic wages constitute more than 50% of total remuneration and concluded that there is no financial impact on the financial results for the quarter and year ended March 31,2026. The company continues to monitor developments in the rules to be notified by the regulatory authorities, including clarifications/additional guidance from authorities and will continue to assess the accounting implications basis such developments/guidance.

54 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.

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

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

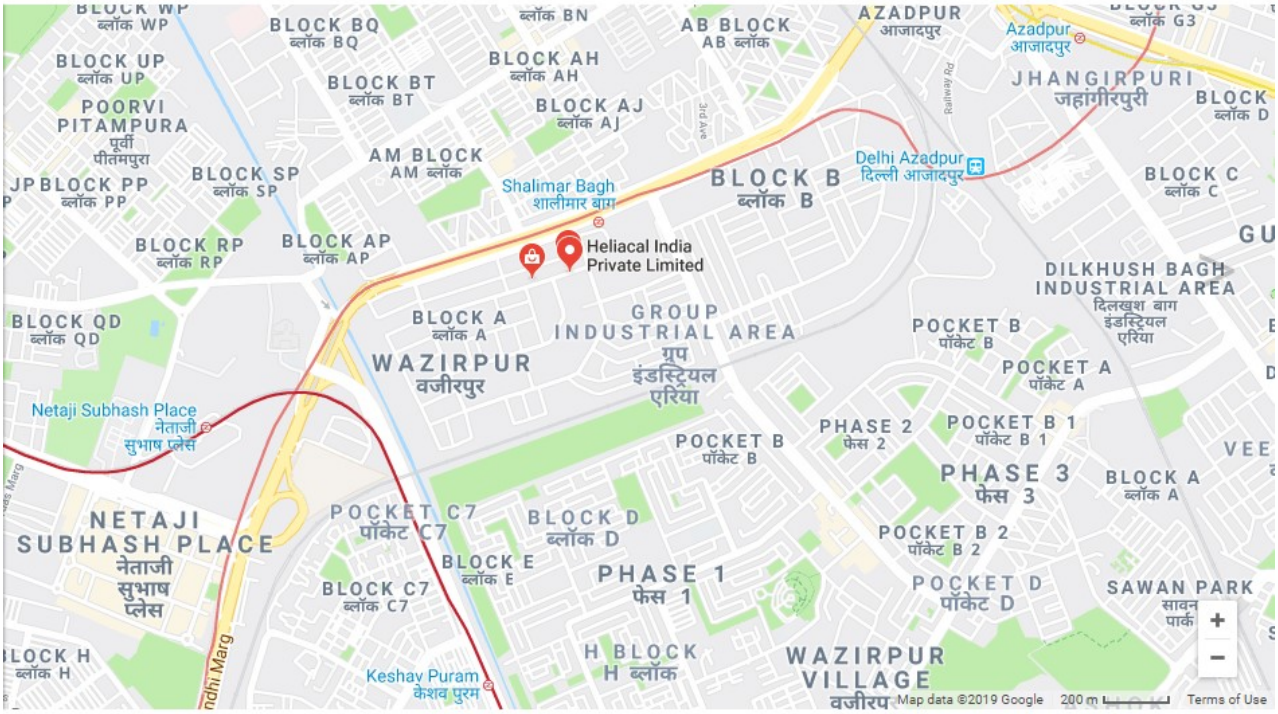
Place : Ludhiana
Dated : 30-05-2026

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 42nd Annual General Meeting of the Garg Acrylics Limited at Registered office A-50/1, Wazirpur, Industrial Area, Delhi on Thursday 06th August, 2026 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)

42nd Annual General Meeting on Thursday, 06.08.2026 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 42nd Annual General Meeting of the Company to be held on Thursday 06th August, 2026 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, 2026, 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. Sanjiv Garg (DIN 00217156) 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, 2027.		
4. To appoint Ms. Kavita Rani (DIN: 11689363) as Non-executive Independent Director of the Company		

Signed this ……………… Day of ……………………….2026.

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 42nd 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.