

KAJAL SYNTHETICS AND SILK MILLS LIMITED
38th Annual Report
2025-26

KAJAL SYNTHETICS AND SILK MILLS LIMITED

Board of Directors

Shri Seetha Ramaiya K. Vellore	08216198
Shri. G. M. Loyalka	00299416
Shri. Giriraj Maheswari	00469539
Smt. Rajshree Tapuriah	01655859
Mrs. Manju Khator	11272063
Mr. Arvind Kumar Newar	00469492

DIN

Managing Director
Non-Executive Non Independent
Non-Executive Independent Director (Ceased w.e.f. 01.10.2025 due to expiry of terms)
Non-Executive Independent Director (Ceased w.e.f. 01.10.2025 due to expiry of terms)
Non-Executive Independent Director (Appointed with effect from 01.10.2025)
Non-Executive Independent Director (Appointed with effect from 01.10.2025)

Company Secretary

Ms. Disha Hitesh Jain
Company Secretary & Compliance Officer

Auditor

M/s SSRCA & CO.

Chartered Accountants
203, 2nd Floor, M-Space,
Next to Minatai Thackeray Blood Bank,
Sitaram Patkar Marg, Goregaon (West)
Mumbai 400 104

Registered Office :

29, Bank Street,
First Floor, Fort,
Mumbai 400 001

CIN – L17110MH1985PLC035204

Website – www.kajalsynthetics.co.in

Email id – kajalsyntheticsandsilk@gmail.com

Registrar & Share Transfer Agent

Adroit Corporate Services Private Limited
19, Jaferbhoy Industrial Estate, 1st Floor
Makwana Road, Marol Naka, Andheri (East),
Mumbai 400 059

KAJAL SYNTHETICS AND SILK MILLS LIMITED

CIN : L17110MH1985PLC0035204

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Email: kajalsyntheticsandsilk@gmail.com

NOTICE

NOTICE is hereby given that the Thirty Eighth Annual General Meeting of the members of Kajal Synthetics and Silk Mills Limited will be held on Saturday, 26th September, 2026 at 3.30 pm at the Registered Office of the Company at 29, Bank Street, First Floor, Fort, Mumbai 400 001 to transact the following business :

Ordinary Business:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the year ended on 31st March, 2026 and the Board's and Auditors' Reports thereon.
2. To appoint a director in place of Mr. G. M. Loyalka (DIN No: 00299416) who retires by rotation and, being eligible, offers himself for re-appointment.

**By order of the Board of Directors
Kajal Synthetics and Silk Mills Limited**

**Place: Mumbai
Date: September 1, 2026**

**Sd/-
Seetha Ramaiya K. Vellore
Managing Director
(DIN: 08216198)**

NOTES:

1. **A member entitled to attend and vote at the 38th Annual General Meeting (the 'Meeting') is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The proxy form duly completed and signed should be deposited at the Registered office of the Company not less than 48 hours before the time fixed for the Meeting.
3. The Register of Members of the Company will remain closed from Sunday, 20th September, 2026 to Saturday, 26th September, 2026 (both days inclusive) for the purpose of AGM. The cutoff date shall be 18th September, 2026
4. Members are requested to bring their copy of the Annual Report at the Annual General Meeting.

5. EVOTING:

- i) Pursuant to Section 108 of the Companies Act, 2013 and in compliance with the provisions of Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to announce that all the business mentioned in the notice may be transacted through electronic voting system and the Company is providing facility by electronic means.
- ii) For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting to enable the Shareholders of the Company to cast their votes electronically.
- iii) The Board of Directors of the Company has appointed Mr. Girish Murarka, Proprietor of M/s GIRISH MURARKA & CO. to conduct and scrutinize the e-voting process in a fair and transparent manner.
- iv) Process and manner of voting:
 - (a) In case of Shareholders receiving e-mail from NSDL:
 - i. Open e-mail and open PDF file viz; "Kajal e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. In case any shareholder is already registered with NSDL for e-voting, then that shareholder can use the existing user ID and password for casting of vote and step no. (i) and (vi) be skipped.
 - iii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iv. Click on Shareholder – Login
 - v. Put user ID and password as mentioned in step (i) or (ii) above, as may be applicable. Click Login.

- vi. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password.
- vii. Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- viii. Select "EVEN" (E-Voting Event Number) of Kajal Synthetics and Silk Mills Ltd.
- ix. Now you are ready for e-Voting as Cast Vote page opens.
- x. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- xi. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xii. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xiii. Institutional shareholders (i.e. members other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail kajalsyntheticsandsilk@gmail.com with a copy marked to evoting@nsdl.co.in.

(b) In case of Shareholders receiving PIN mailer by Post:

- i. Initial password will be provided through a separate PIN Mailer.
- ii. Please follow steps (ii) to (xiii) above, to cast vote.
- iii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- iv. In case of any query, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following Telephone No.: 022 24994600
- v. The e-voting period commences on Wednesday, 23rd September, 2026 (9.00 am) and ends on Friday, 25th September, 2026 (5.00 p.m.). At the end of the voting period, the portal where votes are cast shall forthwith be blocked. The cutoff date for Remote e-voting is 18th September, 2026.
- vi. The Board of Directors has appointed M/s Girish Murarka & Co., Practicing Company Secretary, having Certificate of Practice No. 4576 as Scrutinizer to scrutinize the remote e-voting (including the Ballot Form received from the Members who do not have access to e-voting process) in fair and transparent manner.
- vii. The Scrutinizer shall, immediately after the conclusion of voting at 38th AGM, count the vote cast at the meeting and thereafter, unblock the vote cast through e-voting in presence of at least two witness not in the employment of the Company and submit, not later than two days of the conclusion of the meeting, a consolidated Scrutinizer's Report of the total vote caste favour or against the resolution to the Chairman or any person authorized by him in writing.
- viii. The Chairman or the Authorized Representative will declare the result of the voting (E-voting and voting through Ballot Paper). The Said Results and Scrutinizer's Report will be placed on the website of the Company.
- ix. Name, designation, address, email id and phone no. of the person responsible to address the grievances connected with facility for voting by electronic means.

Name:- Ms. Disha Hitesh Jain

Designation:- Company Secretary and Compliance Officer

Address: 29, Bank Street, First Floor, Fort, Mumbai 400 001

Email id: kajalsyntheticsandsilk@gmail.com

Phone No. 9821903049

Information on Director being re-appointed as required under regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provision of Secretarial Standard on General Meeting (SS-2)

Name of Director	G. M. Loyalka
DIN	00299416
Date of Birth	26 th January, 1943
Relationship with other Directors inter-se	Nil
Date of Appointment	17 th March, 1992
Expert in Specialized Area	Finance & Business Strategy
Qualification	B.com
No. of Equity Shares held in the Company	Nil
Directorship in other Public Limited Company	Listed Company Nilkanth Engineering Limited Unlisted Company Jatayu Textiles & Industries Limited Aakarshak Synthetics Limited Park Avenue Engineering Limited Sushree Trading Limited
Chairman / Membership of the Committee of other Company	Nilkanth Engineering Limited a) Member in Nomination & Remuneration Committee b) Chairman in Stakeholders Relationship Committee

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CIN : L17110MH1985PLC035204

Regd. Office: 29, Bank Street, 1st Floor, Fort, Mumbai 400 001

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DIRECTORS' REPORT

To,
The Members,

The Directors of your Company are pleased to present their Thirty Eighth Annual Report and the Audited Financial Statements of **Kajal Synthetics and Silk Mills Limited** for the financial year ended 31st March, 2026

FINANCIAL RESULTS

The financial performance of the Company, for the financial year ended 31st March, 2026 is summarized below:

Particulars	Standalone		Rs. in Lakhs Consolidated	
	Financial Year 2025-26	Financial Year 2024-25	Financial Year 2025-26	Financial Year 2024-25
Revenue from Operations	6.58	4.57	6.58	4.57
Other Income	0.32	0.93	0.32	0.93
Total Income	6.90	5.50	6.90	5.50
Expenditure	246.91	220.47	246.91	220.47
Profit /(Loss) before tax	(240.01)	(214.97)	(240.01)	(214.97)
Share in Profit /(Loss) of Associates	-	-	(0.48)	(91.71)
Tax Expenses	-	-	-	-
Excess/(Short) Tax provisions	-	-	-	-
Profit / (Loss) after Tax	(240.01)	(214.97)	(240.49)	(306.68)
Other Comprehensive Income/(Loss)	119.82	169.76	131.33	174.56
Total Comprehensive Income/(Loss) for the year	(120.19)	(45.11)	(109.16)	(132.12)

INDIAN ACCOUNTING STANDARDS (IND AS)

The Financial Statement for the year 2025-26 have been in accordance with IND AS, prescribed under section 133 of the Act, read with the relevant rules issued thereunder and the other recognized accounting practices and policies to the extent applicable

PERFORMANCE REVIEW

On a consolidation basis, the Total Income for the financial year 2025-26 Rs. 6.90 Lakh (Previous Year 5.50 Lakh) and Loss After Tax before comprehensive Income was Rs. 240.49 Lakh (Previous year Loss After tax before comprehensive income was Rs. 306.68 Lakh)

On a standalone basis, the Total Income for the financial year 2025-26 Rs. 6.90 Lakh (Previous Year 5.50 Lakh) and Loss After Tax before comprehensive Income was Rs. 240.01 Lakh (Previous year Loss After tax before comprehensive income was Rs. 214.97)

The Company is engaged in the business of Financing and Investment activities. There has been no change in the business of the Company during the financial year under review.

FINANCE

Your Company has made provisions for sufficient borrowing facilities to meet its long-term and short-term requirements in order to support the business operations uninterruptedly.

DIVIDEND

In view of the loss during the year under review, your directors do not recommend any dividend for the year under review.

TRANSFER TO RESERVES

In view of losses during the year under review, the Company has not transferred any amount (Previous Year Rs. Nil /-) to Reserve Fund under RBI Act, 1934

PUBLIC DEPOSIT

During the year, the Company has not accepted or renewed any deposit from the public as covered under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

SHARE CAPITAL

The Authorised Share Capital as on 31st March, 2026 was Rs.2,00,00,000 /-(Rupees Two Crore Only) divided into 20,00,000 Equity Shares of Rs. 10/- each.

There has been no change in the Share Capital of the Company during the financial year 2025-26

The Issued Share Capital as on 31st March, 2026 was Rs 1,99,20,000/- (Rupees One Crore Ninety Nine Lac Twenty Thousand Only) divided into 19,92,000 Equity Shares of Rs. 10/- each.

SUBSIDIARY:

As at the end of the year under review i.e. on 31st March, 2026 and also as on the date of this report, your Company does not have any Subsidiary.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2026 is available on the website www.kajalsynthetics.co.in.

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES, ASSOCIATE OR JOINT VENTURES

Pursuant to section 129(3) of the Companies Act, 2013, the statement containing the salient feature of financial statement of Company's subsidiary, associate and joint venture of the Company are as under:

The Company does not have subsidiary Company.

Further, brief about the only following Associate Companies, is given hereunder:

1. Park Avenue Engineering Limited (Associate)

Park Avenue Engineering Limited (Park Avenue) is registered with Reserve Bank of India (RBI) as Non-Banking Financial Company (NBFC) in the category of the Company not accepting / holding public deposits.

The Total Revenue of Park Avenue during Financial Year 2025-26 was Rs. 11.24 Lakh and Net Loss After Tax was Rs. 1.08 Lakh.

2. Five Star Trading & Investment Company Limited (Associate)

Five Star Trading & Investment Company Limited (Five Star) has paid up capital of Rs. 25,50,500/-. It does not have any substantial business.

The Total Revenue of Five Star during Financial Year 2025-26 was Rs. 20.88 Lakh and Net Loss After Tax was Rs. 199.12 Lakh

The details of Company's subsidiary, associate and Joint Venture Company as on 31st March, 2026 is given in **Annexure 1**

The Company does not have any Joint Venture.

PARTICULARS OF EMPLOYEES

There was no employee in the company drawing remuneration in excess of the limits set out in the Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further, the disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report as "**Annexure-2**."

Furthermore, the disclosures pertaining to remuneration and Top Ten Employees details are provided in the Annual Report as "**Annexure-3**".

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Clause (B) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, A detailed Management Discussion and Analysis Report on the Financial Conditions and Result of operations of the Company is included in this Annual Report under the heading "**Annexure-4**".

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company had not entered into any transactions as enumerated in section 188 of the Companies Act, 2013 and rules made thereunder with the related party as defined under section 2(76) of the Act.

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

There are no significant material orders passed by the regulators/courts/tribunals which would impact the going concern status of the Company and its future operations.

CEO / CFO CERTIFICATION:

As required by Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The CEO / CFO certificate for the financial year 2024-25 has been submitted to the Board and the copy thereof is contained in the Annual Report.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company believes that a strong internal control framework is an important pillar of Corporate Governance. The Company has in place adequate internal financial control system which ensure orderly and efficient conduct of its business, safeguarding of its assets and accuracy and completeness of accounting records, timely preparation of reliable financial information and various regulatory and statutory compliance

Further, company's internal control system is commensurate with the size, scale and complexity of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks with best practices in the industry. The Management with Audit Committee periodically reviews the Internal Control System and procedure for the efficient conduct of the business.

RISK MANAGEMENT

The Company operates in conditions where economic environment and social risk are inherent to its businesses. In managing risk, it is the Company's practice to take advantage of potential opportunities while managing potential adverse effects.

The various elements of risk which the Directors think, that may threaten the existence of the Company are:

- a) Financial Risk: Financial risk generally arises due to instability and losses in the financial market caused by movements in stock prices, currencies, interest rates and more.
- b) Liquidity Risk: It is the risk that the Company will be unable to meet its financial commitment to a Bank/Financial Institution in any location, any currency at any point in time. The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss.
- c) Credit Risk: The risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation.
- d) Time Risk: To compensate for non-receipt of expected inflow of funds.

In line with Listing Regulations and as per the requirement of Section 134(3) (n) of the Companies Act, 2013 read with the rules made there under, as amended, at present the Board has not identified any element of risk which may threaten the existence of the company.

REMUNERATION POLICY

The Nomination and Remuneration Policy of the company as mandated under Section 178 (3) (4) of the Companies Act, 2013 is available on the website of the company www.kajalsynthetics.co.in

CORPORATE SOCIAL RESPONSIBILITY

The provisions of section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility are not applicable to the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to sub-Section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the operating management, your Directors make the following statement and confirm that: -

- i) in the preparation of the annual accounts for the year ended 31 March 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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 as at 31 March 2026 and of the loss of the Company for year ended on that date;
- 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 have laid down internal financial controls and that such internal financial controls are adequate and are operating effectively; and
- 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.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated financial statement of your Company for the Financial Year 2025-26 is prepared in compliance with the applicable provisions of the Companies Act, 2013, Accounting Standards and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has formulated a Vigil Mechanism (Whistle Blower Policy) for its directors and employees of the Company for reporting genuine concerns about unethical practices and suspected or actual fraud or violation of the code of conduct of the Company pursuant to the provisions of Section 177 of the Companies Act, 2013 read with the rules made thereunder. This vigil mechanism shall provide a channel to the employees and Directors to report to the management, concerns about unethical behavior, and also provide for adequate safeguards against victimization of persons who use the mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional. The practice of the Vigil Mechanism /Whistle Blower Policy is overseen by the Audit Committee of the Board and no employee has been denied access to the Committee.

The Company will take appropriate action for its resolution. During the year, no whistle blower event was reported and mechanism is functioning well.

CODE OF CONDUCT

Company's Board has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on the company's website www.kajalsynthetics.co.in. All Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct for Board Members and Senior Management during the financial year 2025-26. The declaration in this regard has been made by the Management Director which forms the part of this report as an annexure.

CORPORATE GOVERNANCE

As per Regulation 15(2) of the Listing Regulations, the compliance with the Corporate Governance provisions shall not apply in respect of the following class of companies:

- a. Listed Entity having paid up equity share capital not exceeding Rs.10 crore and Net Worth not exceeding Rs.25 crore, as on the last day of the previous financial year;
- b. Listed Entity which has listed its specified securities on the SME Exchange.

Since, our Company falls in the ambit of aforesaid exemption (a); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it also does not form part of the Annual Report.

DISCLOSURE OF SECRETARIAL STANDARD BY DIRECTORS

The company complies with all applicable standards issued by the institute of Company Secretaries of India. The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

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

PREVENTION OF INSIDER TRADING

The Company has adopted the Code of conduct for prevention of Insider Trading with view to regulate trading in securities by Directors and designated employees of the Company. The Code of conduct require pre-disclosure for dealing in Company's Shares and prohibit the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when trading window is closed. The Board is responsible for implementation of the code. All Board of Directors and the designated employees have confirmed the compliance of code.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees or investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, are given in the Audited Financial Statements, wherever applicable.

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

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Act read with Companies' (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption, and research and development are not applicable to the Company.

There were no foreign exchange earnings and outgoings during the year under review.

DIRECTORS AND KMP

Mr. G. M. Loyalka (DIN – 00299416) who is retiring by rotation at this Annual General Meeting is to be re-appointed. His involvement with the affairs of the Company is beneficial to the Company as well as Stakeholders.

During the period under review, Mrs. Rajshree Tapuriah and Mr. Manish Kumar Newar ceased to be Non-Executive Independent Director with effect from 01.10.2025 due to expiry of their terms of five years AND Mr. Manish Kumar Newar & Mrs. Manju Khator appointed as Non-Executive Independent Director with effect from 01.10.2025 for the consecutive term of five years.

PERFORMANCE EVALUATION

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate the process of evaluating the performance of Individual Directors, Committees of the Board and the Board as whole.

The Nomination and Remuneration Committee of the Company also evaluated the performance of all individual Directors on various parameters such as level of participation of Directors, preparing themselves well in advance to take active participation at the meeting(s), level of knowledge and expertise etc.

All the Independent Directors of the Company also had a separate meeting on 12th February, 2026 to review the performance and evaluation of Non-Independent Directors and Board as a whole.

The Board after taking into consideration the evaluation as done by Nomination and Remuneration Committee and by Independent Directors, carried out an annual evaluation of its own performance and that of its committees and individual Director. The overall outcome of such evaluation is that the Board, its committees and individual Directors have performed effectively and satisfactorily

DECLARATION OF INDEPENDENT DIRECTOR

All the Independent Director have confirmed to the Board that they meet the criteria of Independence as specified under section 149(6) of the Companies Act, 2013 and they qualify to be an Independent Director pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors), Rule 2014. The Independent Directors have also confirmed that they meet the requirements of “Independent Director” as mentioned under Regulation 16(1)(b) of the Listing Regulations.

BOARD MEETINGS

During the year under review the Company held Seven (7) meetings of the Board of the Directors as per Section 173 of Companies Act, 2013 on 9th April 2025, 29th April 2025, 12th August 2025, 3rd September 2025, 1st October 2025, 12th November 2025 and 12th February 2026

The frequency of board meetings and quorum at such meetings were in accordance with the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and compliances of Secretarial Standards-1 (SS1) on Meeting of the Board of Directors issued by ICSI. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013, the Listing Regulations and SS-1.

BOARD COMMITTEE – AUDIT COMMITTEE

The Audit Committee is constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. Members of the Audit Committee possess financial / accounting expertise / exposure. Further, all the recommendations made by the Audit Committee were duly accepted by the Board of Directors. The Company Secretary is acting as Secretary of this Committee.

The Composition of Audit Committee as on 31.03.2026 are as under :

Sr. No.	Name of the Director	Position	Category
1	Mrs. Manju Khator	Chairperson	Independent Director (Appointed w.e.f. 01.10.2025)
2	Mrs. Rajshree Tapuriah	Chairperson	Independent Director (Ceased w.e.f. 01.10.2025)
3	Mr. Arvind Kumar Newar	Member	Independent Director (Appointed w.e.f. 01.10.2025)
4	Mr. Giriraj Maheswari	Member	Independent Director (Ceased w.e.f. 01.10.2025)
5	Shri. Seetha Ramaiya K. Vellore	Member	Managing Director

Four meetings of the Audit Committee were held during the financial year 2025-26 on 29th April 2025, 12th August 2025, 12th November 2025 and 12th February 2026. The accounts and financial positions were perused by the Audit Committee and thereafter placed before the Board for their consideration.

BOARD COMMITTEE – NOMINATION AND REMUNERATION

The Nomination and Remuneration Committee is constituted pursuant to the provisions of Section 178 of the Companies Act, 2013. Members of the Nomination and Remuneration Committee possess sound expertise / knowledge / exposure. The Company Secretary of the Company is the Secretary of this committee

The Composition of Nomination and Remuneration Committee as on 31.03.2026 are as under:

Sr. No.	Name of the Director	Position	Category
1	Mrs. Manju Khator	Chairperson	Independent Director (Appointed w.e.f. 01.10.2025)
2	Mrs. Rajshree Tapuriah	Chairperson	Independent Director (Ceased w.e.f. 01.10.2025)
3	Mr. Arvind Kumar Newar	Member	Independent Director (Appointed w.e.f. 01.10.2025)
4	Mr. Giriraj Maheswari	Member	Independent Director (Ceased w.e.f. 01.10.2025)
5	Shri. G. M. Loyalka	Member	Non-Executive Director

Two meetings of the Nomination and Remuneration Committee were held during the financial year 2025-26 on 3rd September 2025 and 12th February, 2026

BOARD COMMITTEE – STAKE HOLDERS RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee is constituted pursuant to the provisions of Section 178 of the Companies Act, 2013. Members of the Nomination and Remuneration Committee possess sound expertise / knowledge / exposure. The Company Secretary of the Company is the Secretary of this committee

The Composition of Nomination and Remuneration Committee as on 31.03.2026 are as under:

Sr. No.	Name of the Director	Position	Category
1	Mr. G. M. Loyalka	Chairman	Non-Executive Director
2	Mr. Seetha Ramaiya K Vellore	Member	Non-Executive Director
3	Mrs. Manju Khator	Member	Independent Director (Appointed w.e.f. 01.10.2025)
4	Mrs. Rajshree Tapuriah	Member	Independent Director (Ceased w.e.f. 01.10.2025)

One meetings of the Stakeholders Relationship Committee were held during the financial year 2025-26 on 12th February, 2026.

AUDITORS:

M/s S S R C A & Co. (formerly known as M/s S. S. Rathi & Co.), Chartered Accountants were appointed at 34th Annual General Meeting held on 11th August, 2022 for the first term of Five years from the conclusion of 34th Annual General Meeting till the conclusion of 39th Annual General Meeting. The Board reviewed their consent to act as the Statutory Auditors of the Company and confirmed that appointment, if made would be within the limits specified under section 141(3)(g) of the Act and it is not disqualified to be appointed as Statutory Auditor in terms of the provisions of the Section 139 and 141 of the Act and the rules made thereunder.

AUDITORS REPORT

The observation of the Auditors in their report read with relevant notes on the accounts, as annexed are self-explanatory and do not call for any further explanation under section 134(3)(f)(i) of the Companies Act, 2013.

SECRETARIAL AUDITOR

Further, pursuant to the provisions of Regulations 24A and other applicable provisions of Listing Regulations read with Section 204 of the Act and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and on recommendation of the Audit Committee, the Board of Directors at their meeting held on August 29, 2025 recommended the appointment of M/s Girish Murarka & Co. Practicing Company Secretaries as Secretarial Auditors for the period of Five consecutive years commencing from the financial year 2025-26 till financial year 2029-30.

At 37th Annual General Meeting held on 26th September, 2025 M/s Girish Murarka & Co., Practicing Company Secretary was appointed as Secretarial Auditor for the period of Five consecutive years commencing from the financial year 2025-26 till financial year 2029-30.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor Secretarial Auditors has reported to the Audit Committee under Section 143(12) of the Act, any instance of fraud committed in the Company by its officers or employees.

INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the rules made thereunder the Board of Directors had approved the appointment of M/s Siddhant Goyal and Company, Chartered Accountants, as "Internal Auditor" of the company for conducting Internal Audit for the financial year 2025-26. The Internal Audit Reports for each quarter were received by the Company and the same were reviewed by the Audit Committee and Board of Directors.

The Board has appointed M/s SIDDHANT GOYAL AND COMPANY, Chartered Accountants, as Internal Auditor for the financial year 2026-27

COST AUDIT

The provisions of Cost Audit as prescribed under section 148 of the Companies Act, 2013 are not applicable to the Company

OTHER DISCLOSURES

- Your Company has not issued: -
 - Any shares with differential rights;
 - Any sweat equity shares
- There are no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.
- There were no material changes and commitments affecting the financial position of your Company between the end of the financial year and the date of this report.
- There was no revision in the financial statements.
- Your Company has not received any complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

APPRECIATION

Your Directors express their deep sense of gratitude to the banks, financial institutions, stakeholders, business associates, Central and State Governments for their co-operation and unstinted support received from them during the year and look forward to their continued support in future.

**For and on behalf of the Board of Directors of
Kajal Synthetics and Silk Mills Limited**

**Place: Mumbai
Date: September 1, 2026**

**Sd/-
G. M. Loyalka
Director
(DIN: 00299416)**

**Sd/-
Seetha Ramaiya K. Vellore
Managing Director
(DIN: 08216198)**

**Statement containing salient features of the financial statement of subsidiaries/
associate companies/ joint ventures
Part “A”: Subsidiaries**

Name of the subsidiary	Nil
1. Date on which the subsidiary was acquired	
2. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	
3. Share capital	
4. Reserves & surplus	
5. Total assets	
6. Total Liabilities	
7. Investments	
8. Turnover	
9. Profit before taxation	
10. Provision for taxation	
11. Profit after taxation	
12. Proposed Dividend	
13. % of shareholding	

The following information shall be furnished:-

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

Part “B”: Associates and Joint Ventures

Name of Associates/Joint Ventures	Park Avenue Engineering Limited	Rs. in Lakh Five Star Trading & Investment Company Limited
1. Latest audited Balance Sheet Date	31.03.2026	31.03.2026
2. Date on which the Associate or Joint Venture was associated or acquired	24.03.2008	26.03.2008
3. Shares of Associate/Joint Ventures held by the company on the year end		
No.	2154250	120001
Amount of Investment in Associates/Joint Venture	224.60	120.30
Extend of Holding %	44.11%	47.05%
4. Description of how there is significant influence	Since the Company holds more than 20% equity capital, significant influence is assumed.	Since the Company holds more than 20% equity capital, significant influence is assumed.
5. Reason why the associate/joint venture is not consolidated	N.A	N.A
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	257.74	Nil
7. Profit / Loss for the year		
i. Considered in Consolidation	(0.48)	Nil
ii. Not Considered in Consolidation	Nil	(93.69)

The following information shall be furnished: -

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

**For and on behalf of the Board of Directors of
Kajal Synthetics and Silk Mills Limited**

**Place: Mumbai
Date: September 1, 2026**

**Sd/-
G. M. Loyalka
Director
(DIN: 00299416)**

**Sd/-
Seetha Ramaiya K. Vellore
Managing Director
(DIN: 08216198)**

PARTICULARS OF EMPLOYEES

9

PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2026

S. No	Requirement of Rule 5(1)	Details
1.	The ratio of the remuneration of each Director to the median employees of the company for the financial year.	(No remuneration paid to directors except Managing Director)
2.	The percentage increase in remuneration of each Director Chief Financial Officer, Company Secretary, Chief Executive Officer or Manager, if any, in the Financial Year	(No changes during the Year in remuneration of Company Secretary)
3.	The percentage increase in the median remuneration of the employees in the Financial Year	NA
4.	The number of the permanent employee on the roll of the company	1
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the % increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average salary increase of non- managerial employees is: NA Average salary increase of managerial employees is : NA The average increase in remuneration of all employees are decided based on the company's policy, individual's performance, inflation and prevailing industry trend.
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes

DETAILS OF TOP 10 EMPLOYEES

Name	Dish Hitesh Jain
Designation	Company Secretary and Compliance Officer
Remuneration received	Rs. 3,60,000/-
Nature of Employment (contractual or otherwise)	Contractual
Qualification	Professional
Experience	14 years
Age	45 years
Last Employment before joining the company	NA
Relation to any director (if any)	NO
Date of commencement of employment	23.08.2016

**For and on behalf of the Board of Directors of
Kajal Synthetics and Silk Mills Limited**

**Place: Mumbai
Date: September 1, 2026**

**Sd/-
G. M. Loyalka
Director
(DIN: 00299416)**

**Sd/-
Seetha Ramaiya K. Vellore
Managing Director
(DIN: 08216198)**

KAJAL SYNTHETICS AND SILK MILLS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Indian economy has witnessed profound positive transformation and has showed resilience and strong growth across the sectors and continues to be and continues to be among the fastest growing economies in the world. The geopolitical tensions, supply chain, disruptions, high inflation and tighter monetary conditions were some of the challenges for the economy recovery

NBFCs has always been an important component of the financial sector and has seen higher credit growth over the past few years. The NBFC sectors in India is expected to grow due to several factors like government's commitment to financial inclusion, sector's digital transformation, regulatory changes that aims to ensure the sector's ability and prevent excessive risk-taking and also due to impressive growth projections. Lower transaction costs, quick decision making, customer orientation and prompt service standard have typically differentiated NBFCs from banks.

Opportunities and Threats

Your company is committed to addressing the changes boosted by its strengthen in market position, agile execution capabilities, robust early warning system and extensive use of analytics for risk mitigation and resources allocation. It will ensure to take advantage of the tailwinds that may emerge during the course of year.

The Stringent RBI and other regulatory norms governing the functioning of NBFC and certain government restriction act as hindrance in smooth functioning of NBFC

Segment-wise-Performance

Your Company operates only single segment which is non-banking financial services (Granting/taking of loans and making long term Investments).

Future Outlook

Due to financial liquidity, the Company is not able to undertake any financial / investment activities in last few years. The Board is planning to disinvest its investment and have the liquid funds available to deploy the same for the better return.

Further as the Company has not carried out any Non-Banking Financial activities since long, the Management is planning for voluntary surrender of Certificate of Registration issued by Reserve Bank of India and carry on other business activities.

Risk and concerns

The very nature of the Company's business make it subject to various kind of risk. As an NBFC, the Company is exposed to credit, liquidity, market and interest rate risk. The Capital market activities in which most of our activities depends on is also influenced by global events and hence there is amount of uncertainty in the near term outlook of the market. In line with Listing Regulations and as per the requirement of Section 134(3) (n) of the Companies Act, 2013 read with the rules made there under, as amended, at present the Board has not identified any element of risk which may threaten the existence of the company.

Internal Control Systems & their Adquacy

The Company had adequate internal control system commensurate with its size and nature of business. Your company's internal control procedures are adequate to ensure compliance with various policies, practices and statutes.

Financial & Operational Performance

On a consolidation basis, the Total Income for the financial year 2025-26 Rs. 6.90 Lakh (Previous Year 5.50 Lakh) and Loss After Tax before comprehensive Income was Rs. 240.49 Lakh (Previous year Loss After tax before comprehensive income was Rs. 306.68 Lakh)

On a standalone basis, the Total Income for the financial year 2025-26 Rs. 6.90 Lakh (Previous Year 5.50 Lakh) and Loss After Tax before comprehensive Income was Rs. 240.01 Lakh (Previous year Loss After tax before comprehensive income was Rs. 214.97)

Human Resources and Industrial Relations

The Company recognizes the importance of Human Resource as a key asset instrumental in its growth. The Company has well developed management information system giving daily, monthly and periodical information to the different levels of management. Such reports are being analyzed and effective steps are taken to control the efficiency, utilization, productivity and quality in the Company.

**For and on behalf of the Board of Directors of
Kajal Synthetics and Silk Mills Limited**

**Place: Mumbai
Date: September 1, 2026**

**Sd/-
G. M. Loyalka
Director
(DIN: 00299416)**

**Sd/-
Seetha Ramaiya K. Vellore
Managing Director
(DIN: 08216198)**

GIRISH MURARKA & CO.

Company Secretaries
(Peer Reviewed Firm)

Ground Floor, Wing "A", Flat No. 001, Bharateeya Kala Mandal C/2, Co-op. Hsg. Soc. Ltd.
Om Nagar, Andheri (East), Mumbai 400 099

Mobile: 9820821209

Email: girishmurarka@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

To,
The Members
KAJAL SYNTHETICS AND SILK MILLS LIMITED
29, Bank Street,
First Floor, Fort,
Mumbai 400 001

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to corporate practices by **KAJAL SYNTHETICS AND SILK MILLS LIMITED [L17110MH1985PLC035204]** (herein after called "the Company") for the audit period covering the financial year ended on 31st March, 2026. The 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 March 31, 2026, generally 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 reporting made hereinafter :

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in the Annexure I, for the financial year ended on March 31, 2026, according to the provisions (to the extent applicable) of:
 - i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
 - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder applicable to the extent of receipt of funds on non-repatriation basis from foreign investor; **(Not Applicable to the Company during the Audit Period)**

- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the Company during the Audit Period)**
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 **(Not Applicable to the Company during the Audit Period)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021 **(Not Applicable to the Company during the Audit Period)** and
 - f) The Securities and Exchange Board of India (Registrar to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(not applicable to the Company during audit period)** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(not applicable to the Company during audit period).**
 - i) The examination of compliance of the provisions of other special applicable laws was limited to the verification of procedure on test basis.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations ("LODR Regulation")

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

I further report that:

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review, Mrs. Rajshree Tapuriah and Mr. Giriraj Maheswari ceased to be Non-Executive Independent Director with effect from 01.10.2025 due to expiry of their terms of five years AND Mr. Arvind Kumar Newar & Mrs. Manju Khator appointed as Non-Executive Independent Director with effect from 01.10.2025 for the consecutive term of five years.

- ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. All the decision in the Board Meeting and committee meeting are carried out unanimously as recorded in the Minutes of the meeting of the Board of Directors or committee of the Board, as the case may be

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

I further report that during the audit period, there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standard etc. referred to above.

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

Place: Mumbai
Date: May 25, 2026
UDIN: A007036H000425795
Peer Review No. 2223/2022

Sd/-
GIRISH MURARKA
Proprietor
Girish Murarka & Co.
ACS No. 7036
CP No. 4576

GIRISH MURARKA & CO.

Company Secretaries

(Peer Reviewed Firm)

*Ground Floor, Wing "A", Flat No. 001, Bharateeya Kala Mandal C/2, Co-op. Hsg. Soc. Ltd.
Om Nagar, Andheri (East), Mumbai 400 099*

Mobile: 9820821209

Email: girishmurarka@gmail.com

To,
The Members
KAJAL SYNTHETICS AND SILK MILLS LIMITED
29, Bank Street,
First Floor, Fort,
Mumbai 400 001

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

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

Place: Mumbai
Date: May 25, 2026
UDIN: A007036H000425795
Peer Review No. 2223/2022

Sd/-
GIRISH MURARKA
Proprietor
Girish Murarka & Co.
ACS No. 7036
CP No. 4576

ANNEXURE – I

List of documents verified:

1. Memorandum & Articles of Association of the Company
2. Annual Report for the financial year ended March 31, 2025 and March 31, 2026
3. Minutes of meeting of Board of Directors, Audit Committee, Nomination & Remuneration Committee along with attendance register held during the financial year under report
4. Minutes of General Body Meeting held during the financial year under report
5. Statutory Registers
6. Agenda papers provided to all the Directors / Members for the Board Meeting and Committee Meeting
7. Declaration received from Directors of the Company pursuant to the provisions of section 184 of the Companies Act, 2013
8. E-forms filed by the Company, from time to time, under the applicable provisions of the Companies Act, 1956/ 2013 and attachments thereof during the financial year under report.

GIRISH MURARKA & CO.

Company Secretaries

(Peer Reviewed Firm)

Ground Floor, Wing "A", Flat No. 001, Bharateeya Kala Mandal C/2, Co-op. Hsg. Soc. Ltd.
Om Nagar, Andheri (East), Mumbai 400 099

Mobile: 9820821209

Email: girishmurarka@gmail.com

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)

The Members,

KAJAL SYNTHETICS AND SILK MILLS LIMITED

29, Bank Street,
First Floor, Fort,
Mumbai 400 001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **KAJAL SYNTHETICS AND SILK MILLS LIMITED** having L17110MH1985PLC035204 and having registered office at 29, Bank Street, First Floor, Fort, Mumbai 400 001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

S.No	Name of Director	DIN	Date of Appointment	Date of Cessation
1.	Mr. Seetha Ramaiya K. Vellore	08216198	01.10.2018	---
2.	Mr. Gangaprasad M. Loyalka	00299416	17.03.1992	---
3.	Mr. Giriraj Maheswari	00796252	14.11.2014	01.10.2025
4.	Mrs. Rajshree Suresh Tapuriah	01655859	30.03.2015	01.10.2025
5	Mr. Arvind Kumar Newar	00469492	01.10.2025	---
6	Mrs. Manju Khator	11272063	01.10.2025	---

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

Place: Mumbai

Date: May 25, 2026

UDIN: A007036H000425828

Peer Review No. 2223/2022

Sd/-

GIRISH MURARKA

Proprietor

Girish Murarka & Co.

ACS No. 7036

CP No. 4576

COMPLIANCE CERTIFICATE
[Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements)
Regulations, 2015

The Board of Directors

KAJAL SYNTHETICS AND SILK MILLS LIMITED

We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief certify that:

1. We have reviewed the financial statement and Cash Flow Statement both on standalone and consolidated basis for the year ended on 31.03.2026 and to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material facts or contain any statement that might be misleading.
 - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standard, applicable laws and regulations.
2. We are to be best of their knowledge and belief, no transaction entered into by the Company during year ended 31st March, 2026 which are fraudulent, illegal of violating of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any of which we are aware and the steps have been taken or proposed to take to rectify these deficiencies.
4. We have indicated to the Auditors and Audit Committee that there is no:
 - a) significant changes in the internal controls over financial reporting
 - b) significant change in accounting policies and the same have been disclosed in the notes to the financial statements and
 - c) instances of significant fraud of which we have become and the involvement therein, if any, of the management or employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors of
Kajal Synthetics and Silk Mills Limited**

Place: Mumbai
Date: September 1, 2026

Sd/-
G. M. Loyalka
Director
(DIN: 00299416)

Sd/-
Seetha Ramaiya K. Vellore
Managing Director
(DIN: 08216198)

DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Board Members and the Senior Management Personnel have confirmed compliance with Code of Conduct for the year ended 31st March, 2026

**For and on behalf of the Board of Directors of
Kajal Synthetics and Silk Mills Limited**

**Place: Mumbai
Date: September 1, 2026**

**Sd/-
G. M. Loyalka
Director
(DIN: 00299416)**

**Sd/-
Seetha Ramaiya K. Vellore
Managing Director
(DIN: 08216198)**

INDEPENDENT AUDITOR'S REPORT

To the Members of Kajal Synthetics and Silk Mills Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Kajal Synthetics And Silk Mills Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31st March 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as ("Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2026, its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the standalone Ind AS 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 matter described below to be the key audit matters to be communicated in our report.

Sr. No	Key audit matter	How our audit addressed the key audit matter
1.	Accounting for investments The Company has investments aggregating Rs 4,294.95 lakhs in equity shares as at 31st March, 2026. These investments are measured either at cost, fair value through Profit and Loss ("FVTPL") or fair value through Other Comprehensive Income (FVTOCI") based on fulfilment of required criteria which involve management judgment.	Our audit procedures included the following: • Read the minutes of the meetings authorizing the investment. • Performed test of controls on the operating effectiveness of internal controls on investments. • Obtained management representations on the judgments exercised for classification of investments, including indicative yields and maturity periods considered for amortised workings. • Tested the disclosure made by the Company.
2	The Company's investments (other than investment in Associates) are measured at fair value at each reporting date and these fair value measurements significantly impact the Company's results. Within the Company's investment portfolio, the valuation of certain assets such as thinly traded quoted shares and the unquoted equity requires significant judgement due to their quotation not regularly available and unavailable respectively and limited liquidity in those shares.	We have assessed the Company's process to compute the fair value of various investments. For regularly quoted instruments, we have independently obtained market quotations and recalculated the fair valuations. For the thinly traded quoted shares and the unquoted instruments, we have obtained an understanding of the various valuation methods used by management and analysed the reasonableness of the principal assumptions made for estimating the fair values and various other data used while arriving at the fair value measurement.

Other Information:

The Company's Management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Boards' Report including Annexures to the Boards' Report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the information obtain prior to the date of this auditors report we conclude that there is a material misstatement of this other information; we are required to report the fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and

estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current year 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 Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on March 31, 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in Annexure-B.
 - g) In our opinion and to the best of our information and explanations given to us, the remuneration paid/provided by the Company to its directors during the year if any is in accordance with the provisions of Section 197 and Schedule V of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position in its financial statements.

- ii. The Company did not have any long-term contracts, including derivative contract, 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 have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in notes to accounts no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under g (iv) (a) and (b) above, contain any material misstatement.

(d) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.
- v. The Company has not declared nor proposed or paid any dividend during the year and, therefore, compliance under section 123 of the Companies Act, 2013 is not applicable to the Company.

For S S R C A & Co
Chartered Accountants
FRN.108726W

Sd/-
Shubham Jain
Partner
M. No.: 443522
UDIN: 26443522WWPYTN9045
Place: Mumbai
Date: 25th May, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 1 OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS SECTION OF OUR REPORT OF EVEN DATE

- i) In respect of Company's Property, Plant and Equipment and Intangible Assets:-
As the Company does not own any Property, Plant and Equipment and intangible assets, Clause 3(i)(a)(A)&(B), 3(i)(b), 3(i)(c), 3(i)(d) and 3(i)(e) of the Order are not applicable.
- ii) (a) The Company does not have inventories. Hence reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned any working capital limits in excess of Rs. 5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(i)(b) of the Order is not applicable.
- iii) (a) & (e) The Company is a Non-Banking Financial Company (NBFC) holding Certificate of Registration from Reserve Bank of India and the principal business is to give loans, and, therefore, Clause 3 (iii) (a) &(e) of the Order are not applicable to it.

(b) The investment made, guarantee provided, security given and terms and conditions on which loans are granted, guarantee provided are not, prima facie, prejudicial to the interest of the Company.

(c) The terms and conditions of the loans granted by the Company are not prejudicial to the interest of the Company. The said loans are repayable on demand and interest accrues accordingly. Having regard to the fact that the repayment of principal which were demanded by the Company or payment of interest has been received, in our opinion the repayment of principal amounts and receipts of interest are regular.

(d) In respect of loans or advances in the nature of loan, no amount is overdue for a period of more than 90 days.

(f) The Company has not granted any loans to promoters, related parties as defined in clause 76 of section 2 of the Act and accordingly reporting under clause 3(iii)(f) of the Order is not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the provisions of section 185 & 186 of the Act, to the extent applicable, have been complied with by the Company.
- v) The Company has not accepted any deposits from the public under the provisions of Section 73 to 76 of the Act and the rules framed there under. Therefore, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii) In respect of statutory dues:
 - a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State

Insurance, Income Tax, Sales Tax, Service Tax, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

No undisputed amounts payable in respect of statutory dues applicable to the Company were in arrears as at 31st March, 2026 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Sales Tax, Service Tax, Income Tax, Customs Duty, Excise Duty, Goods and Service Tax and Value Added Tax that have not been deposited with the appropriate authorities on account of any dispute.
- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix)
 - a) According to the information and explanation given to us and the records of Company examined by us, in our opinion, the Company has not defaulted in the repayment of loan or other borrowings or in the payment of interest thereon to any lender.
 - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix) (c) of the Order is not applicable.
 - d) According to the information and explanation given to us and the records of Company examined by us, in our opinion, no funds raised on short-term basis have been utilized for long-term purpose.
 - e) The Company has not taken any funds from any entity or person on account of or to meet the obligation of its associates. The Company does not have any subsidiary or joint venture.
- x)
 - a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of Clause 3(x)(a) of the Order are not applicable to the Company.
 - b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of Clause 3(x)(b) of the Order are not applicable to the Company.
- xi)
 - a) To the best of our knowledge and according to the information and explanations given us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
 - b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.

- xii) According to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with Sections 177 & 188 of the Act, where applicable, and the details have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) a) In our opinion and according to information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.

b) We have considered the report issued by the Internal Auditors of the Company for the period under audit.
- xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with such directors. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi) a) On our examination of relevant records and according to the information and explanations given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and holds a valid certificate of registration under the same. However, at the year end the Company has a negative net owned fund of 1,510.97 lakhs as calculated under section 45-IA of the RBI Act, 1934 as against the required net owned fund of Rs 5.00 crore as laid down in the Para 5 of Master Direction - Non-Banking Financial Company - Non - Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the provision of clause (xvi) of the Order is not applicable.

d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly Clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii) The Company has incurred cash loss of Rs. 240.01 lakhs during the financial year covered by our audit and cash loss of Rs. 214.97 lakhs in the immediately preceding financial year.
- xviii) There is no resignation of statutory auditor of the company during the year, clause 3(xviii) of the Order is not applicable to the Company.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of the balance sheet as and when fall due within a period of one year from the balance sheet date.

- xx) According to the information and explanations given to us, provisions of section 135 of the Act is not applicable to the Company. Accordingly reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For S S R C A & Co
Chartered Accountants
FRN.108726W

Sd/-
Shubham Jain
Partner
M. No.: 443522
UDIN: 26443522WWPYTN9045
Place: Mumbai
Date: 25th May, 2026

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Kajal Synthetics And Silk Mills 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities includes design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of business, including adherence to Company’s policies, the safeguarding of the 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 Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on Company’s internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“the Guidance Note”) and the Standards on Auditing, prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and Guidance note require that we comply with ethical requirements and plan and perform audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over financial reporting with reference to these financial statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide a reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements 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 the transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over financial reporting with reference to these financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31st March, 2026, based on the criteria for internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S S R C A & Co
Chartered Accountants
FRN.108726W

Sd/-
Shubham Jain
Partner
M. No.: 443522
UDIN: 26443522WWPYTN9045
Place: Mumbai
Date: 25th May, 2026

KAJAL SYNTHETICS AND SILK MILLS LIMITED
CIN: L17110MH1985PLC035204
Standalone Balance Sheet as at 31st March, 2026

Particulars	Notes	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
ASSETS			
Financial Assets			
Cash and Cash Equivalents	2	9.94	9.97
Investments	3	4,294.95	4,175.56
Other Financial Assets	4	0.17	0.03
Trade Receivables	5	2.04	0.83
Total Financial Assets		4,307.10	4,186.39
Non-Financial Assets			
Current Tax Assets (Net)	6	2.40	2.49
Other Non-Financial Assets	7	0.02	0.04
Total Non-Financial Assets		2.42	2.53
Total Assets		4,309.52	4,188.92
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Borrowings	8	2,105.00	2,070.00
Other Financial Liabilities	9	178.78	0.12
Total Financial Liabilities		2,283.78	2,070.12
Non-Financial Liabilities			
Other Non-Financial Liabilities	10	33.20	6.07
Total Non-Financial Liabilities		33.20	6.07
EQUITY			
Equity Share Capital	11	199.20	199.20
Other Equity	12	1,793.34	1,913.53
Total Equity		1,992.54	2,112.73
Total Liabilities and Equity		4,309.52	4,188.92
Summary of significant accounting policies	1		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date,

For S S R C A & Co.

Chartered Accountants

Firm Reg. No.108726W

For and on behalf of the Board of Directors

Sd/-

Shubham Jain

Partner

Membership No. 443522

Sd/-

G.M. Loyalka

Director

DIN : 00299416

Sd/-

Seetha Ramaiya K. Vellore

Managing Director

DIN : 08216198

Place : Mumbai

Dated : 25th May, 2026

Sd/-

Disha Jain

Company Secretary

Sd/-

Omprakash Bubna

Chief Financial Officer

KAJAL SYNTHETICS AND SILK MILLS LIMITED
CIN: L17110MH1985PLC035204
Standalone Statement of Profit and Loss for the year ended 31st March, 2026

Particulars	Notes	2025-26 (₹) in Lakhs	2024-25 (₹) in Lakhs
I. Revenue from Operations			
Commission Income		6.58	4.57
		6.58	4.57
II. Other Income	13	0.32	0.93
		6.90	5.50
III. Total Income			
IV. Expenses			
Finance Cost	14	198.70	182.43
Employee Benefits Expense	15	39.24	29.80
Other Expenses	16	8.97	8.24
		246.91	220.47
Total Expenses			
		(240.01)	(214.97)
V. Profit/(Loss) Before Tax			
VI. Tax Expenses			
Current Tax		-	-
Tax for Earlier years		-	(0.00) *
* (Amount less than ₹ 500/-)			
		(240.01)	(214.97)
VII. Net Profit/(Loss) After Tax			
VIII. Other Comprehensive Income (OCI)			
<u>Items that will not be reclassified to profit or loss</u>			
Net Fair Value Gain/(Loss) on Investments in Equity Instruments through OCI		119.39	169.76
		0.43	0.10
Remeasurement of the defined benefit plans			
		119.82	169.86
IX. Total Other Comprehensive Income			
		(120.19)	(45.11)
X. Total Comprehensive Income for the year			

Basic and Diluted Earnings per share (Face value ₹ 10 each)	21	(12.05)	(10.79)
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Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our report of even date,

For S S R C A & Co.

Chartered Accountants

Firm Reg. No.108726W

For and on behalf of the Board of Directors

Sd/-
Shubham Jain
Partner
Membership No. 443522

Sd/-
G.M. Loyalka
Director
DIN : 00299416

Sd/-
Seetha Ramaiya K. Vellore
Managing Director
DIN : 08216198

Place : Mumbai
Dated : 25th May, 2026

Sd/-
Disha Jain
Company Secretary

Sd/-
Omprakash Bubna
Chief Financial Officer

KAJAL SYNTHETICS AND SILK MILLS LIMITED CIN : L17110MH1985PLC035204 Standalone Cash Flow Statement for the year ended 31st March, 2026		
Particulars	Year Ended	
	31.03.2026 (₹) in Lakhs	31.03.2025 (₹) in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit/(loss) before taxation	(240.01)	(214.97)
<u>Adjustments for:</u>		
(Profit)/Loss on Sale of Investments	-	(0.74)
Operating Profit before working capital changes	(240.01)	(215.71)
Decrease / (Increase) in Other Financial Assets	(0.15)	(0.03)
Decrease / (Increase) in Other Non- Financial Assets	0.02	(0.04)
Decrease / (Increase) in Trade Receivables	(1.21)	5.78
(Decrease) / Increase in Other Non-Financial Liabilities	179.09	(197.36)
(Decrease) / Increase in Other Financial Liability	27.14	(22.03)
Cash generated from operations	(35.12)	(429.39)
Direct Taxes (paid)/refund	0.09	0.54
Net Cash Flow from operating activities (A)	(35.03)	(428.85)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Sale of Investments	-	26.53
Net Cash from/(used) in Investing activities (B)	-	26.53
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Loan Taken	160.00	2,070.00
Repayment of Loans	(125.00)	(1,660.00)
Net Cash from/(used) in financing activities (C)	35.00	410.00
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(0.03)	7.68
Cash & Cash Equivalents as at beginning of period	9.97	2.29
Cash & Cash Equivalents as at end of period	9.94	9.97
Cash and cash equivalents consist of cash on hand and balances with banks.		
	31.03.2026	31.03.2025
Cash on hand	0.02	0.01
Balance in Current Account	9.92	9.96
Cash and Cash Equivalents	9.94	9.97
1. The statement of cash flows has been prepared under the "Indirect method" as set out in Indian Accounting Standard 7- Statement of Cash Flows 2. Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figures of the current year. As per our report of even date, For S S R C A & Co. Chartered Accountants Firm Reg. No.108726W Sd/- Shubham Jain Partner Membership No. 443522 Place : Mumbai Dated : 25th May, 2026		
For and on behalf of the Board of Directors Sd/- G.M. Loyalka Director DIN : 00299416 Sd/- Disha Jain Company Secretary Sd/- Seetha Ramaiya K. Vellore Managing Director DIN : 08216198 Sd/- Omprakash Bubna Chief Financial Officer		

KAJAL SYNTHETICS AND SILK MILLS LIMITED

CIN: L17110MH1985PLC035204

Standalone Statement of Changes in Equity for the year ended 31st March, 2026

A) Equity Share Capital: (Refer Note No: 11)

(₹) in Lakhs

Particulars	Balance as at 01.04.2024	Changes during the year	Balance as at 31.03.2025	Balance as at 01.04.2025	Changes during the year	Balance as at 31.03.2026
Equity Share Capital	199.20	Nil	199.20	199.20	Nil	199.20
Total	199.20	Nil	199.20	199.20	Nil	199.20

B) Other Equity (Refer Note No : 12)

(₹) in Lakhs

Particulars	Reserves and Surplus					Items of OCI	Total Equity
	Capital Reserve	General Reserve	Statutory Reserve	Impairment Reserve	Retained Earnings	Equity Instruments through OCI and Remeasurment	
						Equity Instruments through OCI and Remeasurment	
Balance as at 01st April, 2025	206.69	41.48	536.46	-	(1,775.53)	2,904.43	1,913.53
Profit/(Loss) for the year	-	-	-	-	(240.01)	-	(240.01)
Impairment Reserve	-	-	-	-	-	-	-
Add/(Less) : Realised gain/(loss) on equity shares	-	-	-	-	-	-	-
FVTOCI transferred to retained earnings	-	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	119.82	119.82
Balance as at 31st March, 2026	206.69	41.48	536.46	-	(2,015.54)	3,024.25	1,793.34

(₹) in Lakhs

Particulars	Reserves and Surplus					Items of OCI	Total Equity
	Capital Reserve	General Reserve	Statutory Reserve	Impairment Reserve	Retained Earnings	Equity Instruments through OCI and Remeasurment of the defined benefit plans	
						Equity Instruments through OCI and Remeasurment of the defined benefit plans	
Balance as at 01st April, 2024	206.69	41.48	536.46	-	(1,560.56)	2,734.57	1,958.64
Profit/(Loss) for the year	-	-	-	-	(214.97)	-	(214.97)
Impairment Reserve	-	-	-	-	-	-	-
Other Comprehensive Income for the year	-	-	-	-	-	169.86	169.86
Add/(Less) : Realised gain/(loss) on equity shares	-	-	-	-	-	-	-
FVTOCI transferred to retained earnings	-	-	-	-	-	-	-
Balance as at 31st March, 2025	206.69	41.48	536.46	-	(1,775.53)	2,904.43	1,913.53

As per our report of even date,

For S S R C A & Co.

Chartered Accountants

Firm Reg. No.108726W

For and on behalf of the Board of Directors

Sd/-

Shubham Jain

Partner

Membership No. 443522

Sd/-

G.M. Loyalka

Director

DIN : 00299416

Sd/-

Seetha Ramaiya K. Vellore

Managing Director

DIN : 08216198

Place : Mumbai

Dated : 25th May, 2026

Sd/-

Disha Jain

Company Secretary

Sd/-

Omprakash Bubna

Chief Financial Officer

KAJAL SYNTHETICS AND SILK MILLS LIMITED
CIN: L17110MH1985PLC035204

Notes to the Standalone Financial Statements as at and for the year ended March 31, 2026

These notes form an integral part of and should be read in conjunction with the accompanying standalone financial statements.

Corporate information

Kajal Synthetics And Silk Mills Limited (the Company) is domiciled in India and is incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number L17110MH1985PLC035204. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the activity of Finance & Investment. The registered office of the company is situated at Sonawala, 1st Floor, 29, Bank Street, Mumbai, Maharashtra.

1. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation of Standalone Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act. These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

The Financial statements have been prepared on a going concern basis. The Company presents its balance sheet in order of Liquidity.

B. KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the standalone financial statements requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

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

SIGNIFICANT ACCOUNTING POLICIES

i. Cash and Cash Equivalents:

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances and short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

KAJAL SYNTHETICS AND SILK MILLS LIMITED
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Notes to the Standalone Financial Statements as at and for the year ended March 31, 2026

ii. 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.

Financial Assets

Initial recognition and measurement:

The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are added to the fair value measured on initial recognition of financial asset. Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input). In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Subsequent measurement:

Financial assets are subsequently measured at amortized cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of both:

- the entity's business model for managing the financial assets, and
- the contractual cash flow characteristics of the financial assets.

(a) Measured at amortized cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any, is recognized in the Statement of Profit and Loss. This category applies to cash and bank balances, loans and other financial assets of the Company. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(b) Measured at fair value through other comprehensive income:

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any, are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

Further, the Company, through an irrevocable election at initial recognition, has measured investments in equity instruments other than investment in subsidiary at FVTOCI. The Company has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI. However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss. On derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss.

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Notes to the Standalone Financial Statements as at and for the year ended March 31, 2026

However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

(c) Measured at fair value through profit or loss:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI. This is a residual category applied to all other investments of the Company excluding investments in subsidiary. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime ECL basis and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of temporary adjustments as qualitative adjustment or overlays based on broad range of forward looking information as economic inputs.

The impairment losses and reversals are recognized in Statement of Profit and Loss.

Financial Liabilities:

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value. Transaction costs that are directly attributable to the financial liabilities (other than financial liability at fair value through profit or loss) are deducted from the fair value measured on initial recognition of financial liability.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

KAJAL SYNTHETICS AND SILK MILLS LIMITED
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Notes to the Standalone Financial Statements as at and for the year ended March 31, 2026

FAIR VALUE MEASUREMENT:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1: Quoted (unadjusted) prices 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 or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

iii. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognized nor disclosed except when realization of income is virtually certain, related asset is disclosed.

iv. Revenue Recognition:

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and that revenue can be reliably measured, regardless of when the payments is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding duties and taxes collected on behalf of the Government.

KAJAL SYNTHETICS AND SILK MILLS LIMITED
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Notes to the Standalone Financial Statements as at and for the year ended March 31, 2026

The Company follows the prudential norms for income recognition and provides for /writes off Non-Performing Assets as per the prudential norms prescribed by the Reserve Bank of India or earlier as ascertained by the management.

a. Dividend Income

Income is recognized as and when the Company's rights to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

In case of interim dividend, the right to receive the payment is established, when the dividend gets approved by the Board of Directors.

In case of final dividend, the right to receive the payment is established, when the dividend gets approved by the shareholder's in the annual general meeting.

b. Interest Income

For all the debt instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to amortized cost of financial liability. When calculating EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider expected credit losses.

c. Other Operational Revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

v. Expenditure:

Expenses are accounted on accrual basis.

vi. Income Taxes:

Income tax expense for the year comprises of current tax and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to income tax is included in other income.

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognized based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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Notes to the Standalone Financial Statements as at and for the year ended March 31, 2026

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

vii. Earnings Per Share:

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

viii. Cash flow Statement

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

ix. Investments in associates

The Company measures investments in Equity instruments of associates at cost.

x. Employee Benefits

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of:

- (a) when the plan amendment or curtailment occurs; and
- (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and deductions in future contributions to the scheme.

The Company provides benefits such as gratuity to its employees which are treated as defined benefit plans.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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Notes to the Standalone Financial Statements as at and for the year ended March 31, 2026

xi. Borrowing Costs

Borrowing costs include interest expense calculated using the effective interest rate method, other costs incurred in connection with borrowing of funds and exchange differences to the extent regarded as an adjustment to the interest costs. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

xii. Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

xiii. Use of Critical Estimates, Judgements and Assumptions

The preparation of the financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgment and make certain assumptions in applying the Company's accounting policies and preparation of financial statements.

In the process of applying the Company's accounting policies, management has made the following judgments, which have most significant effect on the amounts recognised in the financial statement:

a. Estimation of Defined benefit obligations

The cost of the defined benefit plans and the present value of the obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increase is based on expected future inflation rates.

b. Estimated fair value of unlisted/listed but thinly traded securities

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets and financial instruments that are unquoted is determined based on generally accepted valuation technique of net worth criteria.

xiv. Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

KAJAL SYNTHETICS AND SILK MILLS LIMITED
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Notes to the Standalone Financial Statements as at and for the year ended March 31, 2026

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025

The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately

The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

KAJAL SYNTHETICS AND SILK MILLS LIMITED
Notes to the Standalone Financial Statements (Continued)
as at and for the year ended 31st March, 2026

	As at 31st March, 2026 (₹) in Lakhs	As at 31 March, 2025 (₹) in Lakhs
<u>Note 2 : CASH AND CASH EQUIVALENTS</u>		
Cash on hand	0.02	0.01
Balance with a Bank in		
- Current Account	4.92	4.96
Fixed Deposits	5.00	5.00
Total	9.94	9.97
<u>Note 4 : OTHER FINANCIAL ASSETS</u>		
Interest Accrued on Fixed Deposits	0.17	0.03
Total	0.17	0.03
<u>Note 6 : CURRENT TAX ASSETS (NET)</u>		
Advance Income Taxes (Net of Provision for tax)	2.40	2.49
Total	2.40	2.49
<u>Note 7 : OTHER NON-FINANCIAL ASSETS</u>		
Prepaid Expenses	0.02	0.04
Total	0.02	0.04
<u>Note 8 : BORROWINGS</u>		
<u>(Unsecured)</u>		
<u>From others</u>		
Inter Corporate Loan	2,105.00	2,070.00
Total	2,105.00	2,070.00
Note 8.1 The maturity profile of Company's borrowings is as under:		
<u>(Unsecured)</u>		
Loans repayable not later than one year or on demand		
Inter Corporate Loans	2,105.00	2,070.00
<u>Note 9 : OTHER FINANCIAL LIABILITIES</u>		
Interest Payable on Loan	178.78	0.12
Total	178.78	0.12
<u>Note 10 : OTHER NON-FINANCIAL LIABILITIES</u>		
Expenses Payable	1.94	1.94
Professional Tax Payable *	0.00	-
TDS Payable	20.26	0.17
Defined Benefit Plans Payable	11.00	3.96
* (Amount less than ₹ 500/-)		
Total	33.20	6.07

KAJAL SYNTHETICS AND SILK MILLS LIMITED
Notes to the Standalone Financial Statements (Continued)
as at and for the year ended 31st March, 2026

Note 3 : INVESTMENTS

	Face Value	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
<u>Non current Investments</u>			
<u>Investments at Fair Value through OCI (FVTOCI)</u>			
I) Quoted Equity Shares not held for trade			
Mansoon Trading Company Limited (No. of shares held as at 31st March, 2025 : 366,000; 31st March, 2026 : 366,000)	10	1,992.36	1,905.40
Meenakshi Steel Industries Limited (No. of shares held as at 31st March, 2025 : 255,500; 31st March, 2026 : 255,500)	10	1,888.04	1,874.34
Nilkanth Engineering Limited (No. of shares held as at 31st March, 2025 : 206,000; 31st March, 2026 : 206,000)	10	18.39	-
		3,898.79	3,779.74
II) Unquoted Equity Shares not held for trade			
<u>Associates (at deemed cost) :</u>			
Five-Star Trading & Investment Company Limited (No. of shares held as at 31st March, 2025 : 120,001; 31st March, 2026 : 1,20,001)	10	120.30	120.30
Park Avenue Engineering Limited (No. of shares held as at 31st March, 2025 : 21,54,250; 31st March, 2026 : 21,54,250)	10	224.60	224.60
<u>Others :</u>			
Pintail Realty Developers Private Limited (No. of shares held as at 31st March, 2025 : 2,00,000; 31st March, 2026 : 2,00,000)	10	51.26	50.92
Niranjan Housing Private Limited (No. of shares held as at 31st March, 2025 : 55,945; 31st March, 2026 : 55,945)	10	-	-
		396.16	395.82
Total		4,294.95	4,175.56
Aggregate value of quoted investments		3,898.79	3,779.74
Aggregate value of unquoted investments		396.16	395.82

KAJAL SYNTHETICS AND SILK MILLS LIMITED
Notes to the Standalone Financial Statements (Continued)
as at and for the year ended 31st March, 2026

	As at 31st March, 2026 (₹) in Lakhs	As at 31 March, 2025 (₹) in Lakhs
<u>Note 5 : TRADE RECEIVABLES</u>		
Sundry Debtors (Unsecured, considered good)	2.04	0.83
Total	2.04	0.83

Particular	Outstanding for following periods from transaction date					Total
	Less than 6 Months	6 months – 1 year	1 – 2 Years	2 – 3 Years	More Than 3 Years	
Balance as at March 31, 2026						
Undisputed trade receivables – Unsecured considered good	2.04	-	-	-	-	2.04
Total	2.04	-	-	-	-	2.04
Balance as at March 31, 2025						
Undisputed trade receivables – Unsecured considered good	0.83	-	-	-	-	0.83
Total	0.83	-	-	-	-	0.83

KAJAL SYNTHETICS AND SILK MILLS LIMITED
Notes to the Standalone Financial Statements (Continued)
as at and for the year ended 31st March, 2026

Note 11: EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
Authorised:		
20,00,000 (March 31, 2026: 20,00,000 ; March 31, 2025: 20,00,000) Equity Shares, of Rs. 10/- par value	200.00	200.00
	<u>200.00</u>	<u>200.00</u>
Issued, Subscribed and Fully Paid up Shares		
19,92,000 (March 31, 2026: 19,92,000 March 31 2025 : 19,92,000) Equity Shares, of Rs. 10/- par value	199.20	199.20
Total	<u><u>199.20</u></u>	<u><u>199.20</u></u>

(i) The number of shares and amount outstanding at the beginning and at the end of the reporting year is same .

(ii) The Company has only one class of equity shares having a par value of Rs. 10/- per share . Each holder of equity share is entitled to same rights in all the assets .

(iii) Disclosure of Shareholders holding more than 5% of Share Capital:

Name of Shareholder	As at 31st March 2026		As at 31st March 2025	
	No. of Shares held	%	No. of Shares held	%
Pick-Me-Quick Holdings Private Limited	4,20,100	21.09	4,20,100	21.09
Peigeon Finance & Investment Private Limited	3,96,050	19.88	3,96,050	19.88
Benhur Investment Company Private Limited	4,52,650	22.72	4,52,650	22.72
Mragya Finance & Investment Private Limited	4,67,200	23.45	4,67,200	23.45
Five Star Trading & Investment Company Limited	2,41,000	12.10	2,41,000	12.10

(iv) Shareholding of Promoters

Name of Promoter	As at 31st March 2026			As at 31st March 2025		
	No. of Shares held	% of total shares	% change during the year	No. of Shares held	% of total shares	% change during the year
Pick-Me-Quick Holdings Private Limited	4,20,100	21.09%	0%	4,20,100	21.09%	0%
Peigeon Finance & Investment Private Limited	3,96,050	19.88%	0%	3,96,050	19.88%	0%
Mragya Finance & Investment Private Limited	4,67,200	23.45%	0%	4,67,200	23.45%	0%

KAJAL SYNTHETICS AND SILK MILLS LIMITED
Notes to the Standalone Financial Statements (Continued)
as at and for the year ended 31st March, 2026

NOTE 12: OTHER EQUITY

Particulars	As at March 31, 2026 (₹) in Lakhs	As at March 31, 2025 (₹) in Lakhs
(i) Capital Reserve	206.69	206.69
(ii) Statutory Reserve	536.46	536.46
(iii) General Reserve	41.48	41.48
(iv) Impairment Reserve	-	-
Balance as per last Financial Statements	(1,775.53)	(1,560.56)
Profit/(Loss) for the year	(240.01)	(214.97)
(v) Retained Earnings	(2,015.54)	(1,775.53)
	(1,230.91)	(990.90)
(vi) Items of Other Comprehensive Income		
Opening Balance as per last Financial Statements	2,904.43	2,734.57
Fair value of Equity Instruments through OCI	119.39	169.76
Add: Realised gain/(loss) on equity shares FVTOCI transferred to retained earnings	-	0.00
Remeasurement of the defined benefit plans	0.43	0.10
	3,024.25	2,904.43
Total	1,793.34	1,913.53

Notes:

Capital Reserve :

This reserve represents the amount received under Amnesty Scheme of 1991.

Statutory Reserve : Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by the RBI.

General Reserve

General Reserve is the amount of transfers from profit of the Company .

Impairment Reserve

Where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs are required to appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' is not reckoned for regulatory capital. Further, no withdrawals are permitted from this reserve without prior permission from the Department of Supervision, RBI.

Retained Earnings

Retained Earnings are the profits of the Company which has earned till date less any transfers to general reserve, dividends , impairment reserve, other distributions paid to shareholders.

Equity Instruments through Other Comprehensive Income : This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

KAJAL SYNTHETICS AND SILK MILLS LIMITED
Notes to the Standalone Financial Statements (Continued)
as at and for the year ended 31st March, 2026

Particulars	2025-26 (₹) in Lakhs	2024-25 (₹) in Lakhs
<u>Note 13 : OTHER INCOME</u>		
Interest Received on Income Tax Refund	0.01	0.03
Interest Received on Fixed Deposit	0.31	0.16
Gain on Redemption of Current Investments	-	0.74
Total	0.32	0.93
<u>Note 14 : FINANCE COSTS</u>		
Interest Expense on Inter Corporate Loans	198.70	182.43
Total	198.70	182.43
<u>Note 15 : EMPLOYEE BENEFITS EXPENSE</u>		
Salaries, Bonus and Allowances	31.76	29.04
Gratuity	7.48	0.76
Total	39.24	29.80
<u>Note 16 : OTHER EXPENSES</u>		
Advertisement Expenses	0.43	0.25
Custodian / ISIN activation charges	0.21	0.21
Legal and Professional Charges	1.34	1.23
Listing Fees	3.84	3.84
Credit Information Membership Fees	0.24	0.24
Misc. Expenses	0.92	0.48
Payment to Auditors (Refer Note No. 16.1)	2.01	2.01
Total	8.97	8.24
<u>16.1 Payment to auditors</u>		
Statutory audit fees	0.90	0.90
Consolidation fees	0.60	0.60
Certification fees	0.20	0.20
GST	0.31	0.31
Total	2.01	2.01

KAJAL SYNTHETICS AND SILKS MILLS LIMITED

CIN: L17110MH1985PLC035204

**Notes to Standalone Financial Statements (continued)
as at and for the year ended March 31, 2026****Notes:**

17. Contingent Liability not provided for in respect of: -
- a) Estimated amount of contracts remaining to be executed on capital account and not provided for - Rs. Nil (Previous year -Rs. Nil).
 - b) Other Contingent Liabilities not provided for -Rs. Nil (Previous year-Rs. Nil).
18. There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2026.
19. There were no dues/outstanding amounts payable to Micro, Small and Medium Enterprises included under Financial and Non Financial Liabilities, as per the information available with the Company and relied upon by the auditors (Previous Year-Rs. Nil).
20. In the opinion of the Board, the Current Assets, and Loans and Advances have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated in the books of account and adequate provision has been made for all known liabilities.

21. Earnings Per Share

Particulars	For the Year Ended March 31,2026	For the Year Ended March 31,2025
(a) Calculation of weighted average number of Equity Shares of Rs. 10/- each		
No. of Equity Shares at the beginning of the year	19,92,000	19,92,000
Equity Shares issued during the year	Nil	Nil
Total number of Equity Shares outstanding at the end of the year	19,92,000	19,92,000
(b) Net Profit / (Loss) after tax available for equity shareholders (Rs. In Lakhs)	(240.01)	(214.97)
(c) Basic and diluted Earnings per Equity Share of Rs. 10/- each	(12.05)	(10.79)

22. Related Party Disclosures: -**A) Related party disclosures as required by Ind AS 24 - Related party disclosures****a) List of Related Parties****i) Associates**

Benhur Investment Company Private Limited*
Five Star Trading & Investment Company Limited
Mragya Finance & Investment Private Limited*
Pick-Me-Quick Holdings Private Limited*
Park Avenue Engineering Limited

***In respect of which the Company is an Investee**

ii) Key Management Personnel

Gangaprasad Loyalka	Director
Seetharamaiya Vellore	Managing Director
Omprakash Bubna	Chief Financial Officer: (Wef 29/04/2025)
Disha Jain	Company Secretary

KAJAL SYNTHETICS AND SILKS MILLS LIMITED

CIN: L17110MH1985PLC035204

**Notes to Standalone Financial Statements (continued)
as at and for the year ended March 31, 2026****B) Material Transactions with related parties during the Year (Rs.)**

Following transactions were carried out in the ordinary course of business with the parties referred to in (A) above:

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
		Amount Rs.In Lakhs	Amount Rs.In Lakhs
1	Salary Paid to Seetharamaiya - Managing Director	28.16	25.50
2	Salary Paid to Disha Jain - Company Secretary	3.60	3.54
Total		31.76	29.04

The remuneration of key management personnel is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

All transactions with these related parties are priced on an arm's length basis.

C) Disclosures as per Regulation 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015). Loans and advances in the nature of loans to companies in which directors are interested as under.

Period	Balance of Loans and advances As at	Maximum balance outstanding during the year ended
31 st March, 2026	Nil	Nil
31 st March, 2025	Nil	Nil

23. B. Measurement of fair values**i) Valuation techniques and significant unobservable inputs:**

The carrying amounts of financial assets and liabilities which are at amortised cost are considered to be the same as their fair values as there is no material differences in the carrying values presented.

ii) Financial instruments - fair value

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurement).

The categories used are as follows:

-Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

-Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

iii) Transfers between levels I and II

There has been no transfer in between level I and level II.

KAJAL SYNTHETICS AND SILKS MILLS LIMITED

CIN: L17110MH1985PLC035204

Notes to Standalone Financial Statements (continued) as at and for the year ended March 31, 2026

iv) Valuation techniques

Investment in equity instruments

The majority equity instruments held by the Company are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as level 1.

Investments in mutual Funds are valued as per the NAV prevailing at the end of the financial years and such investments are classified as level 1.

Equity investments in unquoted instruments and some quoted equity instruments which are not actively traded on stock exchanges are fair valued using the generally accepted valuation technique of networth criteria and accordingly classified as Level 2.

The associates are valued at cost as per Ind AS 27 Separate Financial Statements and classified as Level 3.

24. Financial risk management objectives and policies

The Company's principal financial liabilities comprise Borrowings and interest payable thereon. The Company's financial assets include Investments, Loans and Interest receivable on Loan and Cash and Cash Equivalents that it derives directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's board of directors has an overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed to reflect changes in market conditions and the Company's activities.

The Company's Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations and arises principally from the Company's receivables from loans and interest thereon. The carrying amounts of financial assets represent the maximum credit risk exposure.

Loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each Borrower / Customer; however, management also considers the factors that may influence the credit risk of its customer base including the default risk associated with the industry. The Company's exposure to credit risk for loans and advances is as follows;

Carrying Amount	Amount (in Rs.)	
	As at 31st March ,2026	As at 31st March, 2025
Inter Corporate Loan	Nil	Nil
Non Corporate Loans	Nil	Nil
Interest Accrued on above Loans	Nil	Nil

The Loans are repayable on demand, however an impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk.

Cash and cash equivalent

Credit risk on Cash and Cash Equivalent is limited as the fund are in Current Account.

KAJAL SYNTHETICS AND SILKS MILLS LIMITED

CIN: L17110MH1985PLC035204

**Notes to Standalone Financial Statements (continued)
as at and for the year ended March 31, 2026****2) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

The Company is monitoring its liquidity risk by estimating the future inflows and outflows at the beginning of the year and planned accordingly the funding requirement. The Company manages its liquidity by borrowings, inter-corporate deposits accepted and redemption of investment in mutual funds.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities based on contractual undiscounted payments along with its carrying value as at the balance sheet date.

Particular	As at 31 March, 2026 (₹) in Lakhs		
	Up to 12 months	More than 12 months	Total
Borrowings	2105.00	-	2105.00
Other Financial Liabilities	178.78	-	178.78

Particular	As at 31 March, 2025 (₹) in Lakhs		
	Up to 12 months	More than 12 months	Total
Borrowings	2,070.00	-	2,070.00
Other Financial Liabilities	0.12	-	0.12

3) 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 risk includes interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

26. Capital Management:

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the NBFC's Sector regulator and supervisor, RBI. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period. Equity share capital and other equity are considered for the purpose of Company's capital management.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment policy, buy back or further issue of capital securities.

No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

27. Employee Benefits Expense:**Defined Benefit Plans**

The gratuity liability is not funded but is ascertained on actuarial basis as per Ind AS 19.

There are no other post-retirement benefits provided to employees. The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March, 2026. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

KAJAL SYNTHETICS AND SILKS MILLS LIMITED

CIN: L17110MH1985PLC035204

**Notes to Standalone Financial Statements (continued)
as at and for the year ended March 31, 2026**

The disclosures of employee benefits as defined in Ind AS 19 are given as below:

i. Expenses recognized during the year in the Statement of Profit and Loss:

	31.03.2026	31.03.2025
	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Current Service Cost	0.55	0.52
Past Service Cost - (vested benefits)	6.67	0.00
Interest Cost (net)	0.26	0.23
Total Expenses recognized in Profit and Loss	7.48	0.75

ii. Expenses recognized during the year in Other Comprehensive Income:

	31.03.2026	31.03.2025
	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Actuarial (Gain)/ Loss due to demographic assumptions	-	-
Actuarial (Gain)/ Loss due to financial assumptions	(0.24)	0.13
Actuarial (Gain)/ Loss due to experience	(0.19)	(0.23)
Total Actuarial (Gain)/ Loss	(0.43)	(0.10)

iii. Movements in the Liability recognized in Balance Sheet

	31.03.2026	31.03.2025
	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Opening Net Liability	3.95	3.30
Expenses	7.48	0.75
Contribution paid	-	-
Other Comprehensive Income	(0.43)	(0.10)
Closing Net Liability recognized in the Balance Sheet	11.00	3.95

iv. Reconciliation of opening and closing balance of defined benefit obligation:

	31.03.2026	31.03.2025
	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Present value of obligation as at beginning	3.95	3.30
Interest Cost	0.26	0.23
Current Service Cost	0.55	0.52
Past Service Cost	6.67	-
Benefits paid	-	-
Curtailments	-	-
Settlements	-	-
Actuarial (gain)/ loss on obligation	(0.43)	(0.10)
Present value of obligation as at end	11.00	3.95

v. Reconciliation of opening and closing balance of fair value of plan assets:

	2025-2026	2024-2025
	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Fair value of plan assets as at beginning	-	-
Fair value of plan assets as at end	-	-

KAJAL SYNTHETICS AND SILKS MILLS LIMITED

CIN: L17110MH1985PLC035204

**Notes to Standalone Financial Statements (continued)
as at and for the year ended March 31, 2026**

vi. Actuarial Assumptions

	31.03.2026	31.03.2025
Discount Rate	7.07%	6.58%
Rate of Increase in compensation	12.00%	12.00%
Expected average remaining service	7.20	8.11
Retirement age	60 years	60 years
Employee attrition rate	0.8%	0.8%
Mortality Table	Indian assured lives mortality (2012-14) Ultimate	Indian assured lives mortality (2012-14) Ultimate

vii. Sensitivity Analysis

	DISCOUNT RATE		SALARY ESCALATION RATE	
	Increase in Discount Rate by 1%	Decrease in Discount Rate by 1%	Increase in Salary Escalation Rate by 1%	Decrease in Salary Escalation Rate by 1%
Projected benefit obligation based on above assumptions	10.57	11.51	11.47	10.58

viii. Expected Payout

Year	Expected outgo first	Expected outgo second	Expected outgo third	Expected outgo fourth	Expected outgo fifth	Expected outgo six to ten years
Payouts (Amounts in Lacs.)	7.68	0.02	0.02	0.03	0.03	0.24

Notes:

- (a) The current service cost recognized as an expense is included in the Note 15 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.
- (b) The estimate of future salary increases considered in the actuarial valuation takes into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

30. The Company is primarily engaged in the Finance & Investment activities and accordingly there is no separate reportable segment, as per the Ind AS 108 "Operating Segments".

31. The Company will recognize the deferred tax assets, if any, in future considering the prudence aspect.

32. The Company is not required to spent any amount in terms of Section 135 of the Companies Act, 2013 on Corporate Social Responsibility.

33. Additional Regulatory Information as per Schedule III of The Companies Act, 2013

- The Company has not borrowed funds from banks and financial institutions.
- No proceedings have been initiated or pending against the Company for holding any benami property under The Prohibition of Benami Property Transactions Act, 1988 and the rules made thereunder.
- The Company has not been declared as a Wilful Defaulter by any Bank or Financial Institution or other Lender.
- The Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- There is no charge or satisfaction of charge which is yet to be registered with Registrar of Companies beyond the statutory period.

KAJAL SYNTHETICS AND SILKS MILLS LIMITED**CIN: L17110MH1985PLC035204****Notes to Standalone Financial Statements (continued)
as at and for the year ended March 31, 2026**

- VI. The Company is in compliance with the provisions of Section 2(87) of the Companies Act 2013 regarding number of layers of companies.
- VII. Financial Ratios- Refer Note No: 34 of Notes to Financial Statement.
- VIII. No Scheme of Arrangement concerning the Company has been approved by any Competent Authority during the financial year.
- IX. Utilization of Borrowed funds and share premium
- A. No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- i) 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
- ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- B. No funds (which are material either individually or in the aggregate) has been received by the Company from any person or entity, including foreign entity ("Funding Party"), with the understanding (whether recorded in writing or otherwise) that the Company shall –
- i) 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
- ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- X. The Company does not have any transactions not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets that have been recorded in the books of account during the year.
- XI. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

34. Ratios

Pursuant to the amendments to Schedule III vide MCA circular dated March 23, 2021 the following ratios are presented:

Ratio	Numerator	Denominator	For the year ended March 31,2026	For the year ended March 31,2025	% Variance	Reason for Variance (if above 25%)
Tier I CRAR	Tier I Capital	Risk Weighted Assets	-190.42 %	-160.17 %	-18.88%	Due to increase in Loan
Tier II CRAR	Tier II Capital	Risk Weighted Assets	0.00%	0.00%	-	-
Capital to risk-weighted assets ratio (CRAR)	Tier I Capital + Tier II Capital	Risk Weighted Assets	-190.42 %	-160.17 %	-18.88%	Due to increase in Loan
Liquidity Coverage Ratio.	Stock of High Quality Liquid Assets (HQLAs)	Total Net Cash Outflows over the next 30 calendar days	44.54%	8818.52%	8773.98%	Due to increase in cash balance

KAJAL SYNTHETICS AND SILKS MILLS LIMITED

CIN: L17110MH1985PLC035204

**Notes to Standalone Financial Statements (continued)
as at and for the year ended March 31, 2026**

35. The following disclosure is required pursuant to RBI circular dated 13.03.2020- Circular No.RBI/2019-20/170 DOR/(NBFC).CC.PD.No.109/22.10.106/2019-2020

Amount (Rs. In Lakhs)

Loss Allowances (Provisions) as required under Ind AS 109							
Year	Asset Classification as per RBI Norms	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Opening Impairment Amount	Impairment Reserve to be created
	Performing Assets						
2025-26	Standard	-	-	-	-	-	-
2024-25	Standard	-	-	-	-	-	-

37. The Financial Statements are presented in Indian Rupees and all values are rounded to the nearest Rupees in Lakhs. Previous year figures have been regrouped/reclassified wherever necessary to correspond with the figures of the current period.

As per our report of even date attached

For S S R C A & COChartered Accountants
Firm Reg. No.108726W**For and on behalf of the Board of Directors**

Sd/-
SHUBHAM JAIN
Partner
M. No.: 443522

Sd/-
G.M. Loyalka
Director
DIN: 00299416

Sd/-
Seetha Ramaiya K. Vellore
Managing Director
DIN: 08216198

Place : Mumbai
Dated : 25th May, 2026

Sd/-
Disha Jain
Company Secretary

Sd/-
Omprakash Bubna
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KAJAL SYNTHETICS AND SILK MILLS LIMITED

Report on the Audit of Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of Kajal Synthetics and Silk Mills Limited (hereinafter referred to as the "Company") and its Associates, which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (collectively referred to as 'Consolidated Ind AS Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2026, of its consolidated loss and other comprehensive income, its consolidated changes in equity and its consolidated cash flows for the year then ended on that date.

Basis for opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the year ended March 31st, 2026. These matters were addressed in the context of our audit of the Consolidated Ind AS 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 matter described below to be the key audit matters to be communicated in our report.

Sr. No	Key audit matter	How our audit addressed the key audit matter
1.	Accounting for investments The Company has investments aggregating Rs 4,183.02 lakhs in equity shares as at 31st March, 2026. These investments are measured either at cost, fair value through Profit and Loss ("FVTPL) or fair value through Other Comprehensive Income (FVTOCI") based on fulfillment of required criteria which involve management judgment.	Our audit procedures included the following: • Read the minutes of the meetings authorizing the investment. • Performed test of controls on the operating effectiveness of internal controls on investments. • Obtained management representations on the judgments exercised for classification of investments, including indicative yields and maturity periods considered for amortized workings. • Tested the disclosure made by the Company.
2.	The Company's investments (other than investment in Associates) are measured at fair value at each reporting date and these fair value measurements significantly impact the Company's results. Within the Company's investment portfolio, the valuation of certain assets such as thinly traded quoted shares and the unquoted equity requires significant judgment due to their quotation not regularly available and unavailable respectively and limited liquidity in those shares.	We have assessed the Company's process to compute the fair value of various investments. For regularly quoted instruments, we have independently obtained market quotations and recalculated the fair valuations. For the thinly traded quoted shares and the unquoted instruments, we have obtained an understanding of the various valuation methods used by management and analyzed the reasonableness of the principal assumptions made for estimating the fair values and various other data used while arriving at the fair value measurement.

Other Information

The Company's Management and Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Company's Annual Report including Annexures to the Boards' Report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information prior to the date of this auditors report, we conclude that there is a material misstatement of this other information; we are required to report the fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective board of directors of the Company and its Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and its Associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Director of the Company, as aforesaid.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the Company and of its Associates are responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company and its Associates are responsible for overseeing the financial reporting process of the Company and its Associates.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud

may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company of which we are independent auditors and whose financial statements we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Company and for the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

The consolidated Ind AS financial statements include Company's share of net loss of Rs 0.48 lacs and comprehensive income of Rs 11.51 lacs for the year ended March 31st, 2026 in respect of its Associates based on their audited financial statements. We did not audit the financial statements and other financial information of Associates, which have been audited by other auditors. These financial statements & other information and auditors' reports have been furnished to us by the Management, and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the Associates and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the Associates is based solely on the report of such other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO" / "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements
2. As required by Section 143(3) of the Act, based on our audit and on consideration of report of the other auditors on separate financial statements and other financial information of Associates, as noted in the 'Other Matter' paragraph, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements;
 - b. In our opinion, proper books of account as required by law have been maintained by the Company and its Associates including relevant record relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of books and records of the Company and its Associates read with report of the other auditors;
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account and records maintained by the Company and its Associates for the purpose of preparation of the Consolidated Ind AS Financial Statements;
 - d. In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

- e. On the basis of the written representations received from the directors of the Company and its Associates as on March 31, 2026, and taken on record by the respective Board of Directors, none of the directors of the Company and its Associates is disqualified as on March 31, 2026 from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls relevant to the Company's preparation of the Consolidated Ind AS Financial Statements, we refer to Annexure-A of our report of even date on the Consolidated Ind AS Financial Statements of the Company;
- g. In our opinion and to the best of our information and explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of Section 197 and Schedule V of the Act;
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report that;
 - i. There were no pending litigation which would impact the consolidated financial position of the Company and its Associates.
 - ii. The Company and its Associates did not have any long-term contracts, including derivative contract, 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 and its Associates.
 - iv.(a) The respective management of the Company and its Associates has represented that, to the best of their knowledge and belief, no funds 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 and its Associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company and its Associates or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The respective management of the Company and its Associates has represented, that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts no funds have been received by the Company and its Associates from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company and its Associates shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under g (iv) (a) and (b) above, contain any material misstatement.
- (d) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention
- v. The Company and its Associates has not declared nor proposed or paid any dividend during the year and, therefore, compliance under section 123 of the Companies Act, 2013 is not applicable to the Company and its Associates.

For S S R C A & Co
Chartered Accountants
FRN.108726W

Sd/-
Shubham Jain
Partner
M. No.: 443522
UDIN: 26443522DFYVIX6128
Place: Mumbai
Date: 25th May, 2026

Annexure A to Independent Auditors' Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section 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 Kajal Synthetics And Silk Mills Limited ("the Company") and its Associates as of March 31, 2026 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its Associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company & its Associates considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act")

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's and its Associate's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of the reports referred to in the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company and its Associate’s internal financial controls system over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to consolidated financial statements

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

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to consolidated financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on auditor’s report of Associates, the Company and its Associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting with reference to these consolidated Ind AS financial statements criteria established by the Company and its Associates considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI .

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Company, in so far as it relates to Associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

For S S R C A & Co
Chartered Accountants
FRN.108726W

Sd/-
Shubham Jain
Partner
M. No.: 443522
UDIN: 26443522DFYVIX6128
Place: Mumbai
Date: 25th May, 2026

KAJAL SYNTHETICS AND SILK MILLS LIMITED
CIN: L17110MH1985PLC035204
Consolidated Balance Sheet as at 31st March, 2026

Particulars	<u>Notes</u>	As at 31 March, 2026 (₹) in Lakhs	As at 31 March, 2025 (₹) in Lakhs
<u>ASSETS</u>			
Financial Assets			
Cash and Cash Equivalents	2	9.94	9.97
Investments	3	4,183.02	3,995.50
Other Financial Assets	4	0.17	0.03
Trade Receivables	5	2.04	0.83
Total Financial Assets		4,195.17	4,006.33
Non-Financial Assets			
Current Tax Assets (Net)	6	2.40	2.49
Other Non-Financial Assets	7	0.02	0.04
Total Non-Financial Assets		2.42	2.53
Total Assets		4,197.59	4,008.86
<u>LIABILITIES AND EQUITY</u>			
LIABILITIES			
Financial Liabilities			
Borrowings	8	2,105.00	2,070.00
Other Financial Liabilities	9	178.78	0.12
Total Financial Liabilities		2,283.78	2,070.12
Non-Financial Liabilities			
Other Non-Financial Liabilities	10	33.20	6.07
Total Non-Financial Liabilities		33.20	6.07
EQUITY			
Equity Share Capital	11	199.20	199.20
Other Equity	12	1,681.41	1,733.47
Total Equity		1,880.61	1,932.67
Total Liabilities and Equity		4,197.59	4,008.86

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our report of even date,

For and on behalf of the Board of Directors

For S S R C A & Co.

Chartered Accountants

Firm Reg. No.108726W

v **Sd/-**
Shubham Jain
Partner
Membership No. 443522

Sd/-
G.M. Loyalka
Director
DIN : 00299416

Sd/-
Seetha Ramaiya K. Vellore
Managing Director
DIN : 08216198

Place : Mumbai
Dated: 25th May, 2026
UDIN:26443522DFYVIX6128

Sd/-
Disha Jain
Company Secretary

Sd/-
Omprakash Bubna
Chief Financial Officer

KAJAL SYNTHETICS AND SILK MILLS LIMITED
CIN: L17110MH1985PLC035204
Consolidated Statement of Profit and Loss for the year ended 31st March, 2026

Particulars	Notes	2025-26 (₹) in Lakhs	2024-25 (₹) in Lakhs
I. Revenue from Operations			
Commission Income		6.58	4.57
		6.58	4.57
II. Other Income	13	0.32	0.93
III. Total Income		6.90	5.50
IV. Expenses			
Finance Costs	14	198.70	182.43
Employee Benefits Expense	15	39.24	29.80
Other Expenses	16	8.97	8.24
Total Expenses		246.91	220.47
V. Profit/(Loss) Before Tax		(240.01)	(214.97)
VI . Tax Expenses			
Current Tax		-	-
Tax for Earlier years		-	(0.00) *
* (Amount less than Rs.500/-)			
VII. Net Profit/ (Loss) After Tax before share of result of Associates		(240.01)	(214.98)
VIII. Share in Net Profit/ (Loss) of Associates		(0.48)	(91.71)
IX. Net Profit/ (Loss) for the year		(240.49)	(306.69)
X. Other Comprehensive Income (OCI)			
<u>Items that will not be reclassified to profit or loss</u>			
Net Fair Value Gain/(Loss) on Investments in Equity Instruments through OCI		119.39	169.76
Share of other comprehensive income in an Associate		11.51	4.70
Remeasurement of the defined benefit plans		0.43	0.10
XI. Total Other Comprehensive Income		131.33	174.56
XII. Total Comprehensive Income for the year		(109.16)	(132.13)
Basic and Diluted Earnings per share (Face value ₹ 10 each)	21	(12.07)	(15.40)
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date,

For S S R C A & Co.

Chartered Accountants

Firm Reg. No.108726W

Sd/-
Shubham Jain
 Partner
 Membership No. 443522

Place : Mumbai
 Dated: 25th May, 2026
 UDIN: 26443522DFYVIX6128

For and on behalf of the Board of Directors

Sd/-
G.M. Loyalka
 Director
 DIN : 00299416

Sd/-
Disha Jain
 Company Secretary

Sd/-
Seetha Ramaiya K. Vellore
 Managing Director
 DIN : 08216198

Sd/-
Omprakash Bubna
 Chief Financial Officer

KAJAL SYNTHETICS AND SILK MILLS LIMITED

CIN : L17110MH1985PLC035204

Consolidated Cash Flow Statement for the year ended 31st March, 2026

Particulars	Year Ended	
	31.03.2026 (₹) in Lakhs	31.03.2025 (₹) in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit/(loss) before taxation	(240.01)	(214.97)
Adjustments for:		
(Profit)/Loss on Sale of Investments	-	(0.74)
Operating Profit before working capital changes	(240.01)	(215.71)
Decrease / (Increase) in Loans	-	-
Decrease / (Increase) in Other Financial Assets	(0.15)	(0.03)
Decrease / (Increase) in Other Non-Financial Assets	0.02	(0.04)
Decrease / (Increase) in Trade Receivables	(1.21)	5.78
(Decrease) / Increase in Other Non-Financial Liabilities	179.09	(197.36)
(Decrease) / Increase in Other Financial Liability	27.14	(22.03)
Cash generated from operations	(35.12)	(429.39)
Direct Taxes (paid)/refund	0.09	0.54
Net Cash Flow from operating activities (A)	(35.03)	(428.85)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Sale of Investments	-	26.53
Net Cash from/(used) in Investing activities (B)	-	26.53
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Loan Taken	160.00	2,070.00
Repayment of Loans	(125.00)	(1,660.00)
Net Cash from/(used) in financing activities (C)	35.00	410.00
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(0.03)	7.68
Cash & Cash Equivalents as at beginning of period	9.97	2.29
Cash & Cash Equivalents as at end of period	9.94	9.97
Cash and cash equivalents consist of cash on hand and balances with banks.		
	31.03.2026	31.03.2025
Cash on hand	0.02	0.01
Balance in Current Account	9.92	9.96
Cash and Cash Equivalents	9.94	9.97
1. The statement of cash flows has been prepared under the "Indirect method" as set out in Indian Accounting Standard 7- Statement of Cash Flows		
2. Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figures of the current year.		
As per our report of even date,		
For S S R C A & Co.	For and on behalf of the Board of Directors	
Chartered Accountants		
Firm Reg. No.108726W		
Sd/-	Sd/-	Sd/-
Shubham Jain	G.M. Loyalka	Seetha Ramaiya K. Vellore
Partner	Director	Managing Director
Membership No. 443522	DIN : 00299416	DIN : 08216198
	Sd/-	Sd/-
Place : Mumbai	Disha Jain	Omprakash Bubna
Dated: 25th May, 2026	Company Secretary	Chief Financial Officer

KAJAL SYNTHETICS AND SILK MILLS LIMITED

CIN: L17110MH1985PLC035204

Consolidated Statement of Changes in Equity for the year ended 31st March, 2026

A) Equity Share Capital: (Refer Note No: 11)

(₹) in Lakhs

Particulars	Balance as at 01.04.2024	Changes during the year	Balance as at 31.03.2025	Balance as at 01.04.2025	Changes during the year	Balance as at 31.03.2026
Equity Share Capital	199.20	Nil	199.20	199.20	Nil	199.20
Total	199.20	Nil	199.20	199.20	Nil	199.20

B) Other Equity (Refer Note No : 12)

(₹) in Lakhs

Particulars	Reserves and Surplus					Items of OCI	Total Equity
	Capital Reserve	General Reserve	Statutory Reserve	Impairment Reserve	Retained Earnings	Equity Instruments through OCI and Remeasurement of the defined benefit plans	
Balance as at 01st April, 2025	206.69	41.48	536.46	-	(1,814.63)	2,763.47	1,733.47
Profit/(Loss) for the year	-	-	-	-	(240.49)	-	(240.49)
Impairment Reserve	-	-	-	-	-	-	-
Losses pertaining to Associate company relating to earlier years (Re-arrange)					57.10		57.10
Other Comprehensive Income for the year	-	-	-	-	-	131.33	131.33
Balance as at 31st March, 2026	206.69	41.48	536.46	0.00	(1,998.01)	2,894.80	1,681.41

(₹) in Lakhs

Particulars	Reserves and Surplus					Items of OCI	Total Equity
	Capital Reserve	General Reserve	Statutory Reserve	Impairment Reserve	Retained Earnings	Equity Instruments through OCI and Remeasurement of the defined benefit plans	
Balance as at 01st April, 2024	206.69	41.48	536.46	-	(1,507.94)	2,588.91	1,865.60
Profit/(Loss) for the year	-	-	-	-	(306.69)	-	(306.69)
Impairment Reserve	-	-	-	-	-	-	0.00
Other Comprehensive Income for the year	-	-	-	-	-	174.56	174.56
Balance as at 31st March, 2025	206.69	41.48	536.46	-	(1,814.63)	2,763.47	1,733.47

As per our report of even date,
For S S R C A & Co.
Chartered Accountants
Firm Reg. No.108726W

For and on behalf of the Board of Directors

Shubham Jain
Partner
Membership No. 443522

G.M. Loyalka
Director
DIN : 00299416

Seetha Ramaiya K. Vellore
Managing Director
DIN : 08216198

Place : Mumbai
Dated: 25th May, 2026

Disha Jain
Company Secretary

Omprakash Bubna
Chief Financial Officer

KAJAL SYNTHETICS AND SILK MILLS LIMITED
CIN: L17110MH1985PLC035204

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2026

These notes form an integral part of and should be read in conjunction with the accompanying standalone financial statements.

Corporate information

Kajal Synthetics and Silk Mills Limited (the Company) is domiciled in India and is incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number L17110MH1985PLC035204. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the activity of Finance & Investment. The registered office of the company is situated at 1st Floor, 29, Bank Street, Fort, Mumbai, Maharashtra.

1. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation of Consolidated financial statements

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act. Any application guidance/clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable. These Consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these consolidated financial statements.

The Financial statements have been prepared on a going concern basis. The Company presents its balance sheet in order of Liquidity.

i. Principles of Consolidation

a) The Consolidated financial statements of the Company and its associates have been prepared in accordance with the Ind AS 110 'Consolidated financial statements' and Ind AS – 28 "Investment in Associates" notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

b) The consolidated financial statements have been prepared on the following basis:

Investments in associates are accounted under equity method as per Ind AS – 28 "Investment in Associates". Under the equity method, the investment is initially recorded at cost, identifying goodwill/capital reserve arising at the time of acquisition and the carrying amount is increased/ decreased to recognize Company's share of profits/losses of the associates after the date of acquisition. Goodwill/Capital reserve arising on acquisition of the associates is included in the carrying amount of the respective investments. Unrealized profits resulting from transactions between the

KAJAL SYNTHETICS AND SILK MILLS LIMITED
CIN: L17110MH1985PLC035204

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2026

Company and the associates are eliminated to the extent of Company's interest in the associates. Unrealized losses resulting from intra-group transactions have also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the Company.

- c) The Consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Company for its separate standalone financial statements.
- d) The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances to the extent possible.
- e) The companies considered in the Consolidated financial statements are listed below:-

Sr. No	Name of the Company	Country of Incorporation	Date Of Becoming Associate	% Holding as on 31.03.2026
1	Park Avenue Engineering Limited	India	24.03.2008	44.11%
2	Five Star Trading & Investment Company Limited	India	26.03.2008	47.05%

B. Other Significant Accounting Policies

These are set out under "Significant Accounting Policies" as given in the Company's standalone financial statements

KAJAL SYNTHETICS AND SILK MILLS LIMITED
Notes to the Consolidated Financial Statements (Continued)
as at and for the year ended 31st March, 2026

	As at 31 March, 2026 (₹) in Lakhs	As at 31 March, 2025 (₹) in Lakhs
<u>Note 2 : CASH AND CASH EQUIVALENTS</u>		
Cash on hand	0.02	0.01
Balances with Banks in		
- Current Account	4.92	4.96
- Fixed Deposits	5.00	5.00
Total	9.94	9.97
<u>Note 4 : OTHER FINANCIAL ASSETS</u>		
Interest Accured on Fixed Deposits	0.17	0.03
Total	0.17	0.03
<u>Note 6 : CURRENT TAX ASSETS (NET)</u>		
Advance Income Taxes (Net of Provision for tax)	2.40	2.49
Total	2.40	2.49
<u>Note 7 : OTHER NON-FINANCIAL ASSETS</u>		
Prepaid Expenses	0.02	0.04
Total	0.02	0.04
<u>Note 8 : BORROWINGS</u>		
<u>Unsecured</u>		
Inter Corporate Loans	2,105.00	2,070.00
Total	2,105.00	2,070.00
Note 8.1 The maturity profile of company's borrowings is as under:		
<u>(Unsecured)</u>		
Loans repayable not later than one year or on demand		
Inter Corporate Loans	2,105.00	2,070.00
<u>Note 9 : OTHER FINANCIAL LIABILITIES</u>		
Interest Payable on Loans	178.78	0.12
Total	178.78	0.12
<u>Note 10 : OTHER NON-FINANCIAL LIABILITIES</u>		
Expenses Payable	1.94	1.94
Professional Tax Payable *	0.00	-
TDS Payable	20.26	0.17
Gratuity Payable	11.00	3.95
* (Amount less than ₹ 500/-)		
Total	33.20	6.07

KAJAL SYNTHETICS AND SILK MILLS LIMITED
Notes to the Consolidated Financial Statements (Continued)
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Note 3 : INVESTMENTS

	Face Value	As at 31 March, 2026 (₹) in Lakhs	As at 31 March, 2025 (₹) in Lakhs
<u>Non current Investments</u>			
<u>Investments at Fair Value through OCI (FVTOCI)</u>			
I) Quoted Equity Shares not held for trade			
Mansoon Trading Company Limited (No. of shares held as at 31st March, 2026 : 366,000; 31st March, 2025 : 366,000)	10	1,992.36	1,905.40
Meenakshi Steel Industries Limited (No. of shares held as at 31st March, 2026 : 255,500; 31st March, 2025 : 255,500)	10	1,888.04	1,874.34
Nilkanth Engineering Limited (No. of shares held as at 31st March, 2026 : 206,000; 31st March, 2025 : 206,000)	10	18.39	-
		3,898.79	3,779.74
II) Unquoted Equity Shares not held for trade			
<u>Associates (at deemed cost) :</u>			
Five-Star Trading & Investment Company Limited	10	153.33	153.33
Less: Capital Reserve on Investment in Associates		33.03	33.03
		120.30	120.30
- Accumulated share in profit/(loss) at the beginning of the year		(177.39)	(86.75)
- Share in Profit/(Loss) of current year		57.09	(90.65)
		-	(57.09)
Park Avenue Engineering Limited	10	249.36	249.36
Less: Capital Reserve on Investment in Associates		24.76	24.76
		224.60	224.60
- Accumulated share in profit/(loss) at the beginning of the year		(2.66)	(6.29)
- Share in Profit/(Loss) of current year		(0.48)	(1.06)
- Share in Net fair value gain on investments in Equity Instruments through OCI		11.51	4.70
		232.97	221.95
<u>Others :</u>			
Pintail Realty Developers Private Limited (No. of shares held as at 31st March, 2026 : 2,00,000; 31st March, 2025 : 2,00,000)	10	51.26	50.92
Niranjan Housing Private Limited (No. of shares held as at 31st March, 2026 : 55,945; 31st March, 2025 : 55,945)	10	-	-
		284.23	215.77
Total		4,183.02	3,995.50
Aggregate value of quoted investments		3,898.78	3,779.74
Aggregate value of unquoted investments		284.23	215.77

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Notes to the Consolidated Financial Statements (Continued)
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	As at 31 March, 2026 (₹) in Lakhs	As at 31 March, 2025 (₹) in Lakhs
Sundry Debtors (Unsecured, considered good)	2.04	0.83
Total	2.04	0.83

Particulars	Outstanding for following periods from transaction date					Total
	Less than 6 Months	6 months – 1 year	1 – 2 Years	2 – 3 Years	More Than 3 Years	
Balance as at March 31, 2026						
Undisputed trade receivables – Unsecured considered good	2.04	-	-	-	-	2.04
Total	2.04	-	-	-	-	2.04
Balance as at March 31, 2025						
Undisputed trade receivables – Unsecured considered good	0.83	-	-	-	-	0.83
Total	0.83	-	-	-	-	0.83

KAJAL SYNTHETICS AND SILK MILLS LIMITED
Notes to the Consolidated Financial Statements (Continued)
as at and for the year ended 31st March, 2026

Note 11: EQUITY SHARE CAPITAL

Particulars	As at 31 March, 2026 (₹) in Lakhs	As at 31 March, 2025 (₹) in Lakhs
Authorised:		
20,00,000 (March 31, 2025: 20,00,000) Equity Shares, of Rs. 10/- par value	200.00	200.00
	200.00	200.00
Issued, Subscribed and Fully Paid up Shares		
19,92,000 (March 31, 2025: 19,92,000) Equity Shares, of Rs. 10/- par value	199.20	199.20
Total	199.20	199.20

(i) The number of shares and amount outstanding at the beginning and at the end of the reporting year is same.

(ii) The Company has only one class of equity shares having a par value of Rs. 10/- per share . Each holder of equity share is entitled to same rights in all the assets.

(iii) Disclosure of Shareholders holding more than 5% of Share Capital:

Name of Shareholder	As at 31st March 2026		As at 31st March 2025	
	No. of Shares held	%	No. of Shares held	%
Pick-Me-Quick Holdings Private Limited	4,20,100	21.09	4,20,100	21.09
Peigeon Finance & Investment Private Limited	3,96,050	19.88	3,96,050	19.88
Benhur Investment Company Private Limited	4,52,650	22.72	4,52,650	22.72
Mragya Finance & Investment Private Limited	4,67,200	23.45	4,67,200	23.45
Five Star Trading & Investment Company Limited	2,41,000	12.10	2,41,000	12.10

(iv) Shareholding of Promoters

Name of Promoter	As at 31st March 2026			As at 31st March 2025		
	No. of Shares held	% of total shares	% change during the year	No. of Shares held	% of total shares	% change during the year
Pick-Me-Quick Holdings Private Limited	4,20,100	21.09%	0%	4,20,100	21.09%	0%
Peigeon Finance & Investment Private Limited	3,96,050	19.88%	0%	3,96,050	19.88%	0%
Mragya Finance & Investment Private Limited	4,67,200	23.45%	0%	4,67,200	23.45%	0%

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Notes to the Consolidated Financial Statements (Continued)
as at and for the year ended 31st March, 2026

NOTE 12: OTHER EQUITY

Particulars	As at 31 March, 2026 (₹) in Lakhs	As at 31 March, 2025 (₹) in Lakhs
(i) Capital Reserve	206.69	206.69
(ii) Statutory Reserve	536.46	536.46
(iii) General Reserve	41.48	41.48
(iv) Impairment Reserve	-	-
Balance as per last Financial Statements	(1,814.63)	(1,507.94)
Profit/(Loss) for the year	(240.49)	(306.69)
Net Gain/(Loss) on Investments carried via FVTPL	-	-
Losses pertaining to Associate company relating to earlier years (Re-arrange)	57.10	-
Impairment Reserve Created	-	-
Expected Credit Loss as per Ind AS 109	-	-
(v) Retained Earnings	(1,998.01)	(1,814.63)
	<u>(1,213.39)</u>	<u>(1,030.00)</u>
Opening Balance as per last Financial Statements	2,763.47	2,588.91
Fair value of Equity Instruments through OCI	119.39	169.76
Share of other comprehensive income in an Associate	11.51	4.70
Remeasurement of the defined benefit plans	0.43	0.10
(vi) Items of Other Comprehensive Income	2,894.80	2,763.47
Total	<u>1,681.41</u>	<u>1,733.47</u>

Notes:

Capital Reserve :

This reserve represents the amount received under Amnesty Scheme of 1991.

Statutory Reserve : Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by the RBI.

General Reserve

General Reserve is the amount of transfers from profit of the Company .

Impairment Reserve

Where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs are required to appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' is not reckoned for regulatory capital. Further, no withdrawals are permitted from this reserve without prior permission from the Department of Supervision, RBI.

Retained Earnings

Retained Earnings are the profits of the Company which has earned till date less any transfers to general reserve, dividends , impairment reserve, other distributions paid to shareholders.

Equity Instruments through Other Comprehensive Income : This represents the cumulative gains and losses arising on the fair valuation of equity instruments measured at fair value through other comprehensive income. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

KAJAL SYNTHETICS AND SILK MILLS LIMITED
Notes to the Consolidated Financial Statements (Continued)
as at and for the year ended 31st March, 2026

Particulars	2025-26 (₹) in Lakhs	2024-25 (₹) in Lakhs
<u>Note 13 : OTHER INCOME</u>		
Interest Received on Income Tax Refund	0.01	0.03
Interest Received on Fixed Deposit	0.31	0.16
Gain on Redemption of Current Investments	-	0.74
Total	0.32	0.93
<u>Note 14 : FINANCE COSTS</u>		
Interest Expense on Inter Corporate Loans	198.70	182.43
Total	198.70	182.43
<u>Note 15 : EMPLOYEE BENEFITS EXPENSE</u>		
Salaries, Bonus and Allowances	31.76	29.04
Gratuity	7.48	0.76
Total	39.24	29.80
<u>Note 16 : OTHER EXPENSES</u>		
Advertisement Expenses	0.43	0.25
Custodian / ISIN activation charges	0.21	0.21
Legal and Professional Charges	1.34	1.23
Listing Fees	3.84	3.84
Credit Information Membership Fees	0.24	0.24
Misc. Expenses	0.92	0.48
Payment to Auditors (Refer Note No. 16.1)	2.01	2.01
Total	8.97	8.24
<u>16.1 Payment to auditors</u>		
Statutory audit fees	0.90	0.90
Consolidation fees	0.60	0.60
Certification fees	0.20	0.20
GST	0.31	0.31
Total	2.01	2.01

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Notes to Consolidated Financial Statements (Continued) as at and for the year ended 31ST March, 2026

17. Contingent Liability not provided for in respect of: -

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs- Nil (Previous year- Rs. Nil).
- b) Other Contingent Liabilities not provided for - Rs. Nil (Previous year- Rs. Nil).

18. There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2026.

19. There were no dues/outstanding amounts payable to Micro, Small and Medium Enterprises included under Financial and Non-Financial Liabilities, as per the information available with the Company and relied upon by the auditors (Previous Year –Rs. Nil).

20. In the opinion of the Board, the Current Assets, and Loans and Advances have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated in the books of account and adequate provision has been made for all known liabilities.

21. Earnings Per Share

Particulars	For the Year Ended March 31,2026	For the Year Ended March 31,2025
(a) Calculation of weighted average number of Equity Shares of Rs. 10/- each		
No. of Equity Shares at the beginning of the year	19,92,000	19,92,000
Equity Shares issued during the year	NIL	NIL
Total number of Equity Shares outstanding at the end of the year	19,92,000	19,92,000
(b) Net Profit / (Loss) after tax available for equity shareholders (Rs.In Lakhs)	(240.48)	(306.69)
(c) Basic and diluted Earnings per Equity Share of Rs. 10/- each (In Rs.)	(12.07)	(15.40)

22. Related Party Disclosures: -

A) Related party disclosures as required by Ind AS 24 - Related party disclosures

a) List of Related parties

i) Associates

Benhur Investment Company Private Limited*
 Five Star Trading & Investment Company Limited
 Mragya Finance & Investment Private Limited*
 Pick-Me-Quick Holdings Private Limited*
 Park Avenue Engineering Limited

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***In respect of which the Company is an Investee**

ii) Key Management Personnel

Gangaprasad Loyalka	Director
Seetharamaiya Vellore	Managing Director
Omprakash Bubna	Chief Financial Officer (Wef 29/04/2025)
Disha Jain	Company Secretary

B) Material Transactions with related parties during the Year (Rs.) :

Following transactions were carried out in the ordinary course of business with the parties referred to in (A) above:

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
		Amount Rs. In Lakhs	Amount Rs. In Lakhs
1	Salary Paid to Seetharamaiya - Managing Director	28.16	25.50
2	Salary Paid to Disha Jain - Company Secretary	3.60	3.42
Total		31.76	29.04

The remuneration of key management personnel is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

All transactions with these related parties are priced on an arm's length basis.

C) Disclosures as per Regulation 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015). Loans and advances in the nature of loans to companies in which directors are interested as under.

Period	Balance of Loans and advances As at	Maximum balance outstanding during the year ended
31 st March, 2026	Nil	Nil
31 st March, 2025	Nil	Nil

23. B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs The carrying amounts of financial assets and liabilities which are at amortised cost are considered to be the same as their fair values as there is no material differences in the carrying values presented.

ii) Financial instruments - fair value

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurement).

The categories used are as follows:

-Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

-Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

iii) Transfers between levels I and II

There has been no transfer in between level I and level II.

iv) Valuation techniques

Investment in equity instruments

The majority equity instruments held by the Company are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as level 1.

Investments in mutual Funds are valued as per the NAV prevailing at the end of the financial year and such investments are classified as level 1.

Equity investments in unquoted instruments and some quoted equity instruments which are not actively traded on stock exchanges are fair valued using the generally accepted valuation technique of networth criteria and accordingly classified as Level 2.

24. Financial risk management objectives and policies

The Company's principal financial liabilities comprise Borrowings. The Company's financial assets include Investments, Loans, Interest receivable on Loan and Cash and Cash Equivalents that it derive directly from its operations.

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Notes to Consolidated Financial Statements (Continued) as at and for the year ended 31ST March, 2026

The Company is exposed to credit risk, liquidity risk and market risk. The Company's board of directors has an overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed to reflect changes in market conditions and the Company's activities.

The Company's Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations and arises principally from the Company's receivables from customers and loans. The carrying amounts of financial assets represent the maximum credit risk exposure.

Loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each Borrower / Customer; however, management also considers the factors that may influence the credit risk of its customer base. Including the default risk associated with the industry. The Company's exposure to credit risk for loans and advances is as follows;

Carrying Amount	Amount (in Rs.)	
Particular	As at 31st March, 2026	As at 31st March, 2025
Inter Corporate Loan	Nil	Nil
Non Corporate Loans	Nil	Nil
Interest Accrued on above Loans	Nil	Nil

The Loans are repayable on demand, however an impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the trade receivables are categorised into groups based on days past due.

Cash and cash equivalent

Credit risk on Cash and Cash Equivalent is limited as the fund are in Current Account.

2) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

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The Company is monitoring its liquidity risk by estimating the future inflows and outflows at the beginning of the year and planned accordingly the funding requirement. The Company manages its liquidity by borrowings, inter-corporate deposits accepted and redemption of investment in mutual funds.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities based on contractual undiscounted payments along with its carrying value as at the balance sheet date.

Particular	As at 31 March, 2026 (₹) in Lakhs		
	Up to 12 months	More than 12 months	Total
Borrowings	2,105.00	-	2,105.00
Other Financial Liabilities	178.78	-	178.78
Particular	As at 31 March, 2025 (₹) in Lakhs		
	Up to 12 months	More than 12 months	Total
Borrowings	2,070.00	-	2,070.00
Other Financial Liabilities	0.12	-	0.12

3) 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 risk includes interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

26. Capital Management:

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the NBFC's Sector regulator and supervisor, RBI. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period. Equity share capital and other equity are considered for the purpose of Company's capital management.

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

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Notes to Consolidated Financial Statements (Continued) as at and for the year ended 31ST March, 2026

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment policy, buy back or further issue of capital securities.

No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

27. Employee Benefits Expense:

Defined Benefit Plans

The gratuity liability is not funded but is ascertained on actuarial basis as per Ind AS 19.

There are no other post-retirement benefits provided to employees. The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March, 2024. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The disclosures of employee benefits as defined in Ind AS 19 are given as below:

i. Expenses recognized during the year in the Statement of Profit and Loss:

	31.03.2026	31.03.2025
	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Current Service Cost	0.55	0.52
Past Service Cost - (vested benefits)	6.67	0.00
Interest Cost (net)	0.26	0.23
Total Expenses recognized in Profit and Loss	7.48	0.75

ii. Expenses recognized during the year in Other Comprehensive Income:

	31.03.2026	31.03.2025
	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Actuarial (Gain)/ Loss due to demographic assumptions	-	-
Actuarial (Gain)/ Loss due to financial assumptions	(0.24)	0.13
Actuarial (Gain)/ Loss due to experience	(0.19)	(0.23)
Total Actuarial (Gain)/ Loss	(0.43)	(0.10)

iii. Movements in the Liability recognized in Balance Sheet

	31.03.2026	31.03.2025
	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Opening Net Liability	3.95	3.30
Expenses	7.48	0.75
Contribution paid	-	-
Other Comprehensive Income	(0.43)	(0.10)
Closing Net Liability recognized in the Balance Sheet	11.00	3.95

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Notes to Consolidated Financial Statements (Continued) as at and for the year ended 31ST March, 2026

iv. Reconciliation of opening and closing balance of defined benefit obligation:

	31.03.2026	31.03.2025
	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Present value of obligation as at beginning	3.95	3.30
Interest Cost	0.26	0.23
Current Service Cost	0.55	0.52
Past Service Cost	6.67	-
Benefits paid	-	-
Curtailments	-	-
Settlements	-	-
Actuarial (gain)/ loss on obligation	(0.43)	(0.10)
Present value of obligation as at end	11.00	3.95

v. Reconciliation of opening and closing balance of fair value of plan assets:

	2025-2026	2024-2025
	Amount (Rs. In Lakhs)	Amount (Rs. In Lakhs)
Fair value of plan assets as at beginning	-	-
Fair value of plan assets as at end	-	-

vi. Actuarial Assumptions

	31.03.2026	31.03.2025
Discount Rate	7.07%	6.58%
Rate of Increase in compensation	12.00%	12.00%
Expected average remaining service	7.20	8.11
Retirement age	60 years	60 years
Employee attrition rate	0.8%	0.8%
Mortality Table	Indian assured lives mortality (2012-14) Ultimate	Indian assured lives mortality (2012-14) Ultimate

vii. Sensitivity Analysis

	DISCOUNT RATE		SALARY ESCALATION RATE	
	Increase in Discount Rate by 1%	Decrease in Discount Rate by 1%	Increase in Salary Escalation Rate by 1%	Decrease in Salary Escalation Rate by 1%
Projected benefit obligation based on above assumptions	10.57	11.51	11.47	10.58

viii. Expected Payout

Year	Expected outgo first	Expected outgo second	Expected outgo third	Expected outgo fourth	Expected outgo fifth	Expected outgo six to ten years
Payouts (Amounts in Rs.)	7.68	0.02	0.02	0.03	0.03	0.24

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Notes to Consolidated Financial Statements (Continued) as at and for the year ended 31ST March, 2026

Notes:

- (a) The current service cost recognized as an expense is included in the Note 15 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.
- (b) The estimate of future salary increases considered in the actuarial valuation takes into account the rate of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

30. The Company is primarily engaged in the Finance & Investment activities and accordingly there is no separate reportable segment, as per the Ind AS 108 "Operating Segments".

31. The Company will recognize the deferred tax assets, if any, in future considering the prudence aspect.

32. The Company is not required to spent any amount in terms of Section 135 of the Companies Act, 2013 on Corporate Social Responsibility.

33. Additional Regulatory Information as per Schedule III of The Companies Act, 2013

- I. The Company has not borrowed funds from banks and financial institutions.
- II. No proceedings have been initiated or pending against the Company for holding any benami property under The Prohibition of Benami Property Transactions Act, 1988 and the rules made thereunder.
- III. The Company has not been declared as a Wilful Defaulter by any Bank or Financial Institution or other Lender.
- IV. The Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- V. There is no charge or satisfaction of charge which is yet to be registered with Registrar of Companies beyond the statutory period.
- VI. The Company is in compliance with the provisions of Section 2(87) of the Companies Act 2013 regarding number of layers of companies.
- VII. No Scheme of Arrangement concerning the Company has been approved by any Competent Authority during the financial year.
- VIII. Utilization of Borrowed funds and share premium
 - A. No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
 - i) 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
 - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - B. No funds (which are material either individually or in the aggregate) has been received by the Company from any person or entity, including foreign entity ("Funding Party"), with the understanding (whether recorded in writing or otherwise) that the Company shall –
 - i) 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
 - ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- IX. The Company does not have any transactions not recorded in the books of account that has been

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Notes to Consolidated Financial Statements (Continued) as at and for the year ended 31ST March, 2026

surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets that have been recorded in the books of account during the year.

- X. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

34. The Financial Statements are presented in Indian Rupees and all values are rounded to the nearest Lakhs. Previous year figures have been regrouped/reclassified wherever necessary to correspond with the figures of the current period.

As per our report of even date attached

For S S R C A & CO

Chartered Accountants

Firm Reg. No.108726W

Sd/-

SHUBHAM JAIN

Partner

M. No.: 443522

Place: Mumbai

Dated: 25.05.2026

For and on behalf of the Board of Directors

Sd/-

G.M. Loyalka

Director

DIN: 00299416

Sd/-

Disha Jain

Company Secretary

Sd/-

Seetha Ramaiya K. Vellore

Managing Director

DIN: 08216198

Sd/-

Omprakash Bubna

Chief Financial Officer

KAJAL SYNTHETICS AND SILK MILLS LIMITED

CIN – L17110MH1985PLC035204

Regd. Office: 29, Bank Street, First Floor, Fort, Mumbai 400 001

Website : www.kajalsynthetics.co.in email : kajalsyntheticsandsilkmill@gmail.com

PROXY FORM

Name of the member(s):	
Registered address:	
E- mail Id:	
Folio No.	

I/We being a member(s) of _____ shares of the above named company, hereby appoint

1. Name : _____ of _____

E-mail Id: _____ or failing him

2. Name : _____ of _____

E-mail Id: _____ or failing him

3. Name : _____ of _____

E-mail Id:

and whose signatures are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company to be held on the **Saturday, 26th September, 2026 at 3.30 pm** and at any adjournment thereof in respect of such resolutions as are indicated below:

*I wish my above proxy to vote in the manner as indicated below:

Resolutions	For	Against
1.To consider and adopt the Audited Financial Statements including audited consolidated financial statements of the Company for the financial year ended March 31, 2026, together with the reports of the Board of Directors and the Auditors thereon		
2.To appoint a Director in place of Mr. G. M. Loyalka (DIN No: 00299416) who retires by rotation and, being eligible, offers himself for re-appointment		

Signed this ____ day of _____ 2026. Signature of shareholder

Signatures of proxy holders

Notes:

1. The proxy form duly signed across the Revenue Stamp must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
2. A proxy need not be a member of the Company.
3. Please put a 'X' in the appropriate column against the resolutions indicated in the Box.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

Affix
Rupee 1/-
Revenue
Stamp

KAJAL SYNTHETICS AND SILK MILLS LIMITED

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FORM NO. MGT.12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name(s) of Member(s) (in Block / Capital Letters)	
Registered Address	
DP ID/Client ID or Folio	
No. of Equity Shares held	

I/We hereby exercise my / our vote in respect of the following resolution as set out in the Notice convening 38th Annual General Meeting of the Members of the Company held on Saturday, 26th September, 2026 at 3.30 pm at 29, Bank Street, First Floor, Fort, Mumbai 400 001 which is proposed to be placed before members at the aforesaid AGM, by according my / our assent and / or dissent to the Said Resolution in the following manner

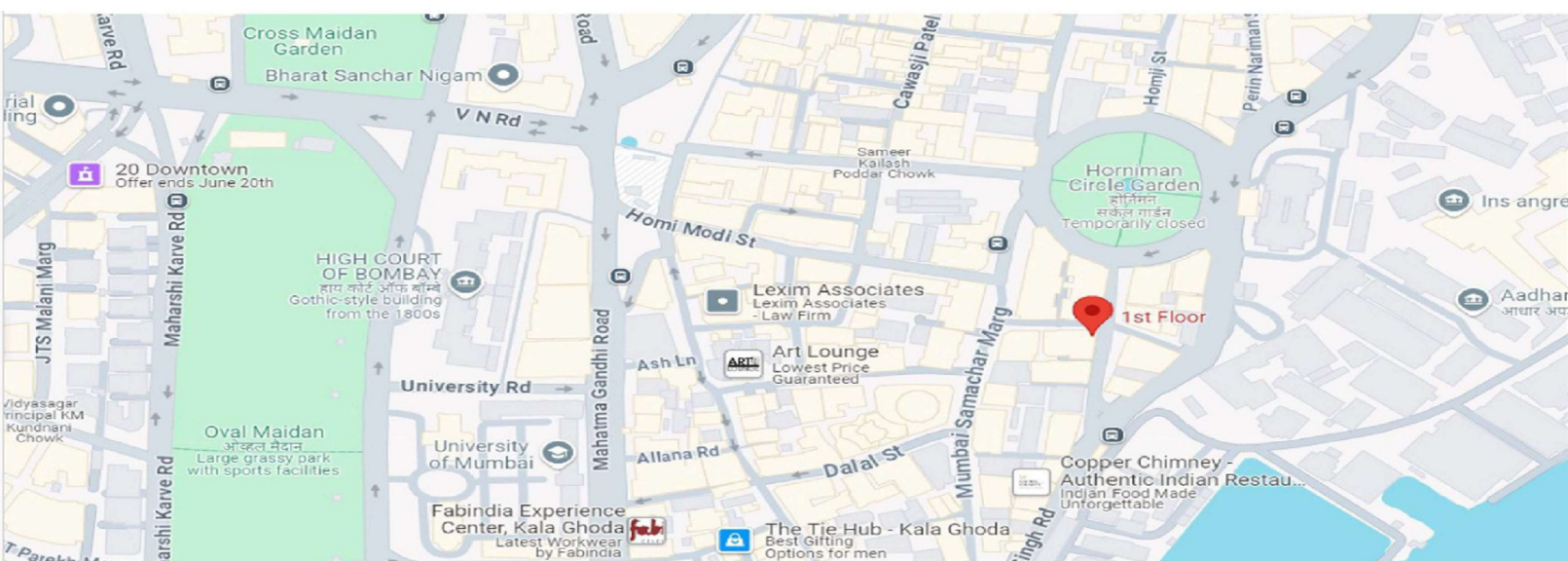
Resoluti on No. and Nature of Resoluti on	Resolution	No. of Equity Shares Held	I/We assent To the Resolution (for)	I/We assent To the Resolution (Against)
1	1.To consider and adopt the Audited Financial Statements including audited consolidated financial statements of the Company for the financial year ended March 31, 2026, together with the reports of the Board of Directors and the Auditors thereon			
2	2.To appoint a Director in place of Mr. G. M. Loyalka (DIN No: 00299416) who retires by rotation and, being eligible, offers himself for re-appointment			

*Please put tick mark () in appropriate column against the resolution indicated above. In case the Shareholder / Proxy, wish his / her vote to be used differently, he / she should indicate the number of shares under the columns "For" and / or "Against"

Place: Mumbai

Date: ---- September, 2026

Signature of Shareholder / Proxy



KAJAL SYNTHETICS And Silk Mills Limited

29, Bank Street 1st Floor, Fort

Mumbai – 400 001