Sangal Papers Ltd
Regd. Offi./ Works
VILL. BHAINSA, 22-km. STONE, MEERUT-MAWANA ROAD,
P.O. SANDHAN, MAWANA - 250401, U.P. (INDIA)
Mob.: 8126131100
E-mail: accounts@sangalpapers.com, sales@sangalpapers.com
Website: www.sangalpapers.com
CIN : L21015UP1980PLC005138 | PAN NO : AACCS4253J
GSTIN : 09AACCS4253J2Z5

To, 01/09/2026

Bombay Stock Exchange Limited
Corporate Relationship Deptt.
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort,
Mumbai-400001

Scrip Code:516096

Subject: Annual Report of the Company for the financial year 2025-2026

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith, the Annual Report of the Company for the financial year 2025-2026 including notice of 46th Annual General Meeting to be held on 23rdh Day of September, 2026.

This is for your information and record.

Thanking You,

For SANGAL PAPERS LIMITED

Anant Vats
Digitally signed by Anant Vats
Date: 2026.09.01 13:21:52 +05'30'

Anant Vats
Company Secretary & Compliance Officer
Mem. No: F-5575

Encl: As above

46th

(Forty-Sixth)

ANNUAL REPORT

F.Y.-1st APRIL 2025 TO 31st MARCH 2026

2025-2026

SANGAL PAPERS LIMITED

CORPORATE INFORMATION

CIN: L21015UP1980PLC005138

BOARD OF DIRECTORS

Executive Directors

Mr. Himanshu Sangal	Managing Director
Mr. Amit Sangal	Whole Time Director/CFO

Non- Executive and Non - Independent Directors

Mr. Tanmay Sangal	Director/President -Marketing
Mr. Vinayak Sangal	Director/ President – Operations

Non-Executive and Independent Directors

Mr. Sapan Sodhi	Director cum Chairman
Mrs. Vartika Malik	Women Director

STAKEHOLDER RELATIONSHIP COMMITTEE

Mrs. Sapan Sodhi	Chairperson
Mrs. Vartika Malik	Member
Mr. Himanshu Sangal	Member

AUDIT COMMITTEE

Mr. Vartika Malik	Chairperson
Mr. Sapan Sodhi	Member
Mr. Himanshu Sangal	Member

NOMINATION AND REMUNERATION COMMITTEE

Mrs. Vartika Malik	Chairperson
Mr. Sapan Sodhi	Member
Mr. Vinayak Sangal	Member

COMPANY SECRETARY Mr. Anant Vats

BANKER:
Axis Bank, Civil Lines, Meerut- U.P.

REGISTRAR & SHARE TRANSFER AGENT:
MAS SERVICES LIMITED, T- 34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi – 110 020
E-mail:sm@masserv.com,
investor@masserv.com
Website:www.masserv.com
Phone No.: 011-26387281- 82-83

SCRIP CODE: 516096
LISTEDON: BSE (Bombay Stock Exchange)

SCRIP ID: SANPA

ISIN: INE384D01022

ISSUER CODE: 384D

STATUTORY AUDITORS:

M/s Raj Viyom & Co., Chartered Accountants
Formerly known as (M/s RAJ SANDHYA & Co.)
572/7, Bhartiya Colony,
Muzaffarnagar, U.P. - 251001

SECRETARIAL AUDITOR:
CS. D.K. GUPTA (D.K. Gupta & Co.),
Practicing Company Secretary,
164, Behind Baijal Bhawan, Civil Lines, Meerut, U.P.-250002

COST AUDITORS
M/S S.R. KAPUR
Practicing Cost Accountant
AGF-16, Ansal Courtyard Bypass
NH-58, Meerut-250001

REGISTERED OFFICE:
Sangal Papers Limited,
Vill, Bhainsa, 22km stone, Meerut- Mawana Road,
Mawana, Meerut, UP- 250401
E-mail :accounts@sangalpapers.com and sangalinvestors1980@gmail.com
Website: www.sangalpapers.com

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Message from the Managing Director of Sangal Papers Limited

Dear Stakeholders,

I extend my warmest greetings to you on behalf of Sangal Papers Limited. It is once again my pleasure to present the Annual Report of your Company for the Financial Year 2025-26, highlighting our performance and milestones over the past year.

Our Company has continuously adapted its policies and strategies to navigate an evolving global economic environment, balancing both Indian and international markets. We maintain a strong competitive advantage through our diverse product portfolio, which includes Kraft Paper, Writing-Printing Paper, and Speciality/Color Paper, Newsprint Paper. Notably, our specialization in manufacturing a wide range of high-quality colour papers has made Sangal Papers a name synonymous with excellence in the color paper segment.

In addition to our business objectives, we remain deeply committed to our environmental responsibilities and improving the quality of life in our surrounding communities. We believe sustainability efforts are vital to securing long-term growth and creating enduring value for our shareholders. Furthermore, we continue to actively explore new domestic and international markets where we can further leverage our competitive edge.

During the financial year 2025-26, the Company achieved a turnover of ₹179.34 crores, with an Operating Profit (EBITDA) of ₹7.51 crores. These figures reflect a marginal decline compared to the previous year, primarily due to challenging geopolitical conditions, tariff volatility, and fluctuating currency exchange rates that impacted our overall financial performance.

However, a major milestone this year was the successful installation of a new 4.5 MW turbine in March 2026, replacing the older 3 MW unit. Accompanied by strategic modifications to our plant and machinery, this upgrade has effectively doubled our installed production capacity from 33,000 to 66,000 Tons Per Annum (TPA)—a significant achievement for the Company.

Please note that the financial impact of this expansion is not reflected in the FY 2025-26 results, as the installation was completed at the very end of the fiscal year in March 2026, requiring a temporary one-month plant shutdown. We are confident that this enhanced capacity will yield significantly better financial results in the coming years.

Given the highly abnormal global conditions, the Company's performance for the year remains resilient and satisfactory. We are optimistic about achieving stronger growth in the near future as supply chains stabilize and geopolitical situations ease, allowing smoother export and import operations.

Yours' Sincerely,

Himanshu Sangal

Managing Director

SANGAL PAPERS LIMITED

CIN: L21015UP1980PLC005138
Registered Office: Village Bhainsa, 22Km Meerut - Mawana Road, Mawana - 250 401, Distt. Meerut(U.P)
E-Mail ID: sangalinvestors1980@gmail.com | **Website:** sangalpapers.com | **Contact No.:** 9997708723

NOTICE TO MEMBERS

NOTICE is hereby given under the provisions of Section 101 of the Companies Act, 2013, that the **Forty-Sixth (46th) Annual General Meeting (AGM)** of the Members of **SANGAL PAPERS LIMITED** will be held on **Wednesday, September 23, 2026, at 01:30 P.M. (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

Item No. 1: Adoption of Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the company for the financial year ended March 31, 2026, together with the Report of the Board of Directors and the Auditors thereon.

Item No. 2: Re-appointment of Mr. Tanmay Sangal

To re-appoint Mr. Tanmay Sangal (DIN: 01297057) who retires by rotation and, being eligible, offers himself for re-appointment.

Item No. 3: Re-appointment of Mr. Vinayak Sangal

To re-appoint Mr. Vinayak Sangal (DIN: 06833351) who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Item No. 4: Ratification of Remuneration of Cost Auditors

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to the ratification of payment of remuneration of **₹40,000/- (Rupees Forty Thousand only)** plus applicable taxes and reimbursement of travel and out-of-pocket expenses, if any, to **Mr. S. R. Kapur, Cost Accountant (Membership No. M-4926)**, who has been appointed as the Cost Auditor of the Company by the Board of

Directors to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2027.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary or expedient to give effect to this resolution."

By Order of the Board of Directors
For Sangal Papers Limited

Anant Vats
Company Secretary

Membership No: FCS 5575

Date: 13.08.2026
Place: Mawana

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has, vide its General Circular dated September 22, 2025 read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ("Act") read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the registered office of the Company

2. The explanatory statement as required under Section 102 (1) of the Companies Act, 2013 along with a statement giving relevant details of the directors seeking re-appointment under Item Nos. 2 and 3 of the accompanying notice, as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed to this Notice.

3. As per the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since, this AGM is being held through VC, pursuant to the MCA Circulars, the

requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA Circulars and the SEBI Circulars, the facility to appoint proxy to attend and cast vote for the Members will not be available for this AGM, hence the proxy forms, attendance slip and route map of AGM are not attached to the Notice

4. Board of Directors has appointed **Shri Dinesh Kumar Gupta, Sole Proprietor** of D.K. Gupta & Co., Practicing Company Secretary (FCS No. 5226, CP No. 3599) as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

5. Corporate/Institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy of its Board or governing body resolution/authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization must be sent to the Scrutinizer by email through its registered email address to **dkgupta08@yahoo.co.in** with a copy marked to **evoting@nsdl.co.in**.

6. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. Members can login and join the AGM 30 minutes prior to the scheduled time to start the AGM and the window for joining shall be kept open till the expiry of 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members, on a first-come-first-served basis. However, the participation of large members (members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Auditors can attend the AGM without restrictions. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.

8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the aforesaid MCA and SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

10. For ease of conduct, members who would like to ask questions/express their views on the items of the business to be transacted at the meeting can send in their questions/comments in advance mentioning their name, demat account number/folio number, email id, mobile number at **sangalinvestors1980@gmail.com**. The same will be replied by the Company suitably. Those

Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

11. In relation to the 46th Annual General Meeting (AGM), the cut-off date, September 16, 2026, was fixed to determine the eligibility of members to e-vote, attend the AGM and vote at the AGM.

12. **MANDATORY KYC UPDATION AND DEMATERIALIZATION FOR PHYSICAL SHAREHOLDERS:** Pursuant to SEBI mandates and circulars dated 3rd November 2021, 14th December 2021, 25th January 2022, and 16th March 2023, shareholders holding shares in physical form must urgently update their PAN, KYC, nomination, and bank account details, and must dematerialize their holdings as all physical investor service requests—including duplicate certificates, transmissions, transpositions, renewals, or consolidations—will be processed in dematerialized form only. To comply, members must submit hard copies form ISR-1 to register their PAN, contact info, and bank details (including bank name, branch address, account number, MICR code, and IFSC code along with an original cancelled cheque); **FORM ISR-2** for specimen signature verification; **FORM SH-13** or **Form ISR-3** to register or opt-out of nomination (with **Form SH-14** for changes); and **Form ISR-4** for physical service requests to our Registrar and Share Transfer Agent (RTA), MAS Services Limited, by downloading these documents from the 'Download' tab at masserv.com. Following verification of any service request, the RTA will issue a Letter of Confirmation, which the shareholder must submit to their Depository Participant (DP) within 120 days to credit the digital shares into their demat account. Please note that no dividend is recommended for this financial year.

13. In compliance with the aforesaid MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. For Members who have not registered their e-mail address, a letter containing a web-link where the details pertaining to the notice along with the annual report is hosted, is being sent at the address registered in the records of RTA/Company/Depositories. The Company shall provide a hard copy of the Annual Report to the Members upon request. Notice calling the AGM along with the explanatory statement and Annual Report shall be available on the website of the Company at sangalpapers.com, on the website of BSE Limited at bseindia.com.

14. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to the Company/RTA if the shares are held by them in physical form.

15. In case a person has become a member of the Company after dispatch of the AGM Notice, but on or before the cut-off date for e-voting i.e. Wednesday, September 16, 2026, such person may generate login id and password as given in e-voting instructions below.

16. In terms of Section 72 of the Companies Act, 2013 and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/them shall vest in

the event of his/their death. Shareholders desirous of availing this facility may submit the requisite nomination form.

17. In terms of SEBI Circular dated 09/12/2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders at least 2 days prior to the date of commencement of e-voting. Hence members are requested to update the mobile no./email ID with their respective depository participants.

18. The relevant documents referred to in the notice along with relevant registers are available for inspections at the Registered Office of the Company during normal business hours on any working day except Sundays and public holidays, up-to the date of the AGM.

19. **Instructions for e-voting and joining the AGM are as follows:**

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice of **46th Annual General Meeting** (AGM) through electronic voting system, to members holding shares as on **Wednesday, September 16th , 2026** (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Sunday, September 20, 2026 at 9:00 A.M. and ends on Tuesday, September 22, 2026 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, September 16th, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, September 16th, 2026.

<u>**How do I vote electronically using NSDL e-Voting system?**</u>

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider – NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digits demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/loginor www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at: https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	**Helpdesk details**
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022-48867000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free n. 1800 22 55 33

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

<u>How to Log-in to NSDL e-Voting website?</u>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 122072 then user ID is 122072001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested

specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to dkgupta08@yahoo.co.in with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on no.: 1800 1020 990 and 022- 48867000 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please update your mail id as per point no.12 of the notes.
2. In case shares are held in demat mode, please update your details with your DP and generate password as instructions given above in e-voting instructions.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at sangalinvestors1980@gmail.com or accounts@sangalpapers.com. The same will be replied by the company suitably.

General Instructions

i. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

ii. Shri Dinesh Kumar Gupta Proprietor D.K. Gupta & Co. Practicing Company Secretary (Membership No. FCS-5226 & CP No. 3599), has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

iii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, for all those members who are present VC/OAVM at the AGM but have not cast their votes by availing the remote e-voting facility.

iv. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

v. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.sangalpapers.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.

ANNEXURE A TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to certain Ordinary Business and all the Special Businesses mentioned in the accompanying Notice:

Resolution at Item No.: 4

The Board of Directors of the Company on the recommendations of the Audit Committee approved the Appointment and Remuneration of Mr. S. R. Kapur (M. No.: M-4926), Cost Accountants, to conduct the Audit of Cost Records of the Company for the Financial Year ending 31st March, 2027.

In terms of the provisions of Section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules 2014, the Remuneration payable to the Cost Auditor is required to be ratified by the members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives is in any way concerned or interested in the resolution.

The Board recommends the Ordinary Resolution set out at item no.4 of the notice for approval by the members.

ANNEXURE B TO THE NOTICE

DISCLOSURE OF DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING *(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

Sl. No.	Particulars / Mandatory Disclosure Rows	Mr. Tanmay Sangal	Mr. Vinayak Sangal
1.	Director Identification Number (DIN)	01297057	06833351
2.	Age	40 Years	34 Years
3.	Date of Birth	16/10/1985	21/11/1991
4.	Date of First Appointment on the Board	30/11/2003	01/03/2014
5.	Qualifications	Post Graduate in Management (Finance)	Mechanical Engineer & MBA (Operations)
6.	Experience / Functional Expertise	International Business, Marketing, and R&D	Corporate Operations & Supply Chain Management
7.	Terms and Conditions of Re-appointment	Retires by rotation under Section 152; offers himself for re-appointment.	Retires by rotation under Section 152; offers himself for re-appointment.
8.	Remuneration Last Drawn (FY 2025-26)	Nil as Director; ₹42 Lakhs p.a. as Employee/President (Marketing).	Nil as Director; ₹42 Lakhs p.a. as Employee/President (Operations).
9.	Remuneration Proposed to be Paid	Nil as Director; ₹42 Lakhs p.a. as Employee/President (Marketing).	Nil as Director; ₹42 Lakhs p.a. as Employee/President (Operations).
10.	Shareholding in the Company	45,731 Equity Shares	14,487 Equity Shares

11.	Relationship with other Directors / KMPs	Son of Mr. Himanshu Sangal (Managing Director); Member of the Promoter Group.	Son of Mr. Amit Sangal (Executive Whole-Time Director); Member of the Promoter Group.
12.	Number of Board Meetings Attended	7 out of 7 Meetings	7 out of 7 Meetings
13.	Entities other than Sangal Papers Limited in which they hold directorship.	None	None
14.	Entities other than Sangal Papers Limited in whose Committees they hold Chairmanships / Memberships	None	None

By Order of the Board of Directors
For Sangal Papers Limited

Anant Vats
Company Secretary

Membership No: FCS 5575

Date: 13.08.2026
Place: Mawana

DIRECTORS' REPORT

To the Members,

Your directors have pleasure in presenting the **46th Annual Report** of **Sangal Papers Limited** together with the Audited Financial Statements of the Company for the financial year ended **31 March 2026**.

COMPANY OVERVIEW

Sangal Papers Limited ("the Company") was incorporated in the year 1980 and is engaged in the manufacturing of newsprint, writing and printing paper, kraft paper, and a wide range of colored and speciality paper catering to both domestic and international markets. The Company's products are designed to meet the diverse and evolving requirements of its customers while maintaining consistent quality and operational excellence.

The Company firmly believes that its employees are its greatest strength and remains committed to safeguarding their health, safety, and well-being. It continues to pursue sustainable growth by creating long-term value for all stakeholders through operational efficiency, technological advancement, environmental responsibility, and sound corporate governance practices.

FINANCIAL HIGHLIGHTS

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

Details of financials as per IND AS: **(Rs. in Lakhs)**

Particulars	**Financial Year (2024-25)**	**Financial Year (2025-26)**	**% Increase / % Decrease (-)**
Revenue from Operations	**18,027.07**	**17,933.91**	**-0.52%**
Add: Other Income	63.67	84.99	33.49%
Total Income of the Company	18,090.74	18,018.90	-0.40%
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense	**845.03**	**751.45**	**-11.07%**
Less: Depreciation / Amortization / Impairment	191.87	200.87	4.69%
Profit before Finance Costs, Exceptional items and Tax Expense	**653.16**	**550.58**	**-15.71%**
Less: Finance Costs	253.07	219.36	-13.32%
Profit before Exceptional items and Tax Expense	**400.09**	**331.22**	**-17.21%**

Profit before Tax Expense	**400.09**	**331.22**	**-17.21%**
Less: Tax Expense (Current & Deferred)	117.51	94.48	-19.60%
Profit for the year (1)	**282.58**	**236.74**	**-16.22%**
Add: Other Comprehensive Income (2)	-3.90	2.21	-156.67%
Total Comprehensive Income (1+2)	278.68	238.95	-14.26%
Add: Balance of profit/loss for earlier years	**3,976.30**	**4,254.98**	**7.01%**
Add: Revaluation Reserve	48.56	48.56	0.00%
Balance carried forward	**4,303.54**	**4,542.49**	**5.55%**

OPERATIONAL REVIEW AND FUTURE PROSPECTS

A summary of your Company's primary operational indicators is presented below:

(Rs. in Lakhs)

Particulars	**Financial Year (2024-25)**	**Financial Year (2025-26)**	**% Increase / % Decrease (-)**
Revenue from Operations	**18,027.07**	**17,933.91**	**-0.52%**
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense	**845.03**	**751.45**	**-11.07%**
Profit before Tax Expense	**400.09**	**331.22**	**-17.21%**
Profit for the year	**282.58**	**236.74**	**-16.22%**

During the financial year under review, the global business environment remained challenging due to geopolitical uncertainties, the imposition of import tariffs in certain international markets, persistent supply chain disruptions, inflationary pressures on key raw materials and logistics costs, and volatility in foreign exchange rates. Despite these external challenges, the Company demonstrated resilience by maintaining stable operational performance.

Revenue from Operations stood at **₹17,933.91 lakhs** as compared with **₹18,027.07 lakhs** in the previous financial year, representing only a marginal decline of **0.52%**. The revenue was also impacted by a planned shutdown of approximately one month for the installation and commissioning of the new **4.5 MW high-efficiency co-generation turbine** and the modernization of key plant and machinery.

The challenging business environment, coupled with higher input costs and foreign exchange fluctuations, affected the Company's profitability during the year. Consequently, the Profit after Tax for the financial year stood at **₹236.74 lakhs**, compared with **₹282.58 lakhs** in the previous year.

To mitigate these challenges, the Company continued to adopt a balanced procurement strategy by sourcing both imported and domestic raw materials while maximizing the utilization of locally available agro-based fuel, particularly rice husk, for captive power generation. This strategy has enabled the Company to optimize manufacturing costs while reducing dependence on conventional sources of energy.

The Company successfully completed a significant modernization and capacity expansion program during March 2026 through the replacement of its existing **3 MW turbine** with a new **4.5 MW high-efficiency co-generation turbine**, along with the upgradation of key manufacturing equipment. Consequently, the Company's installed production capacity has increased from **33,000 Metric Tons (MT) per annum** to **66,000 Metric Tons (MT) per annum**.

As the expanded facilities commenced commercial operations towards the end of the financial year, their full operational and financial benefits were not reflected in the financial results for FY 2025-26. The Board is confident that the enhanced production capacity, improved operational efficiencies, and lower energy costs will contribute positively to the Company's financial performance in the coming years, subject to prevailing market conditions.

SHARE CAPITAL

The Authorized, Issued, Subscribed and Paid-up Share Capital of the Company as on **31 March 2026** is as under:

Particulars	**No of Shares**	**Face value per share (in Rs.)**	**Amount (in Rs.)**
Authorized Share Capital	70,00,000	10	7,00,00,000
Issued, subscribed and paid- up equity share capital	13,07,260	10	1,30,72,600

During the financial year under review, there was **no change** in the Authorized, Issued, Subscribed or Paid-up Share Capital of the Company.

DIVIDEND

With a view to conserving financial resources for future growth, modernization, and capacity expansion, your directors do not recommend any dividend for the financial year ended **31 March 2026**.

CHANGE IN THE NATURE OF BUSINESS

During the financial year under review, there was **no change** in the nature of the Company's business. The Company continues to operate in a single business segment, namely the manufacturing of paper and paper products. However, the Company has strengthened its manufacturing capabilities through strategic investments in modernization and capacity enhancement.

MATERIAL CHANGES AND COMMITMENTS

There have been **no material changes or commitments** affecting the financial position of the Company between the end of the financial year, i.e., **31 March 2026**, and the date of this Report.

STATE OF THE COMPANY

During the financial year under review:

1. The Company continued to operate in a single business segment, namely the manufacturing of paper and paper products.

2. There was no change in the status of the Company.

3. There was no change in the financial year of the Company.

4. The Company incurred capital expenditure of approximately **₹10.68 crore** towards the installation of a **4.5 MW co-generation turbine** and the modernization and upgradation of plant and machinery.

5. The above investment has resulted in modernization and expansion of the Company's manufacturing facilities.

6. There were no acquisitions, mergers, amalgamations, or restructuring transactions during the year.

CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents as at **31 March 2026** stood at **₹198.15 lakhs**. The Company continues to maintain a prudent working capital management policy by closely monitoring receivables, inventories, and other working capital parameters to ensure adequate liquidity and operational efficiency.

EARNINGS PER SHARE (EPS)

Particulars	2025-2026(In Rs.)	2024-2025(In Rs.)	% Increase/ decrease (-)
Earnings per share(EPS)	18.11	21.62	-16.23%

The Earnings Per Share (EPS) for the financial year stood at **₹18.11** as against **₹21.62** in the previous financial year.

INSURANCE

All the properties and assets of the Company, including buildings, plant and machinery, inventories, stores, and other insurable assets, are adequately insured against major risks such as fire, earthquake, burglary, terrorism, and other applicable risks. The Company periodically reviews its insurance coverage to ensure that its assets are adequately protected.

DEPOSITS

During the financial year under review, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, no amount of principal or interest on public deposits was outstanding as on **31 March 2026**.

CREDIT RATING

The Company has not obtained an external credit rating for the financial year ended March 31, 2026, as its aggregate outstanding bank borrowings fall below the statutory threshold requiring mandatory credit assessment.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are disclosed in the Notes forming part of the Financial Statements.

During the financial year under review, the Company did not grant any loan or provide any guarantee requiring disclosure under Section 186 of the Companies Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is an integral part of this Annual Report and provides a detailed review of the Company's business environment, industry outlook, operational performance, opportunities, risks, and future prospects.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has established adequate internal financial controls commensurate with the size, scale, and complexity of its operations.

The Internal Audit function operates independently and reports functionally to the Chairman of the Audit Committee and administratively to the Managing Director. The scope, authority, and responsibilities of the Internal Audit function are defined in the Internal Audit Charter.

The Internal Audit Department periodically reviews the adequacy and effectiveness of the Company's internal control systems, compliance with applicable laws and regulations, adherence to established policies and procedures, and the reliability of financial reporting.

The audit observations, together with management responses and corrective actions, are regularly placed before the Audit Committee. The Committee reviews the effectiveness of internal controls and monitors the implementation of recommendations to strengthen the overall control environment.

The Board is of the opinion that the Company has adequate internal financial controls with reference to the Financial Statements and that such controls are operating effectively.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013, concerning Corporate Social Responsibility were not attracted to the Company during the financial year 2025-26, as the Company did not meet the statutory thresholds of net worth, turnover, or net profit specified therein. Consequently, the calculation of the average net profit for the preceding three financial years yielded a 'Nil' CSR obligation, and no CSR expenditure was required to be incurred.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

There were no unpaid or unclaimed dividends or corresponding equity shares required to be transferred to the Investor Education and Protection Fund (IEPF) during the financial year ended **31 March 2026**, in accordance with the provisions of Section 125 of the Companies Act, 2013 and the applicable Rules made thereunder.

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

The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished below:

A. Conservation of Energy

The Company continues to focus on energy conservation through continuous process improvements, modernization of equipment, and optimum utilization of renewable energy resources.

The Company operates Renewable Energy Captive Power Plants (CPPs), which significantly reduce dependence on grid power, lower electricity costs, enhance energy security, and contribute towards environmental sustainability by reducing carbon emissions.

The Company's captive power generation is primarily based on **rice husk**, an agro-based renewable fuel, which substantially reduces the carbon footprint compared to conventional fossil fuels.

The key benefits of the Captive Power Plant include:

- Reduction in electricity cost.
- Reliable and uninterrupted power supply.
- Improved environmental sustainability.
- Enhanced energy independence.
- Better operational efficiency and support under various Government initiatives promoting renewable energy.

During the year, the Company successfully commissioned a new **4.5 MW high-efficiency co-generation turbine**, replacing the existing **3 MW turbine**, thereby increasing the installed manufacturing capacity to **66,000 MT per annum**.

Since the project was commissioned during March 2026, the full operational and financial benefits are expected to accrue during FY 2026-27.

The paper industry is energy intensive, and the Company remains committed to reducing energy consumption through continuous technological improvements and adoption of energy-efficient practices across its manufacturing facilities.

The following initiatives were undertaken during the year:

Electrical Energy

- Installation and operation of energy-efficient pumps for ETP, STP, water supply and fire protection systems.
- Extensive use of LED lighting across manufacturing units and office premises.
- Process optimization and operational control to minimize energy consumption.
- Installation of Variable Frequency Drives (VFDs) and other energy-efficient electrical equipment.
- Continuous monitoring of specific energy consumption to improve operational efficiency.

Although the benefits of these measures cannot be quantified precisely in monetary terms, they have contributed to improved operational efficiency and reduced energy consumption.

Water Conservation

The Company has implemented several water conservation measures, including:

- Rainwater harvesting and groundwater recharge.
- Replacement of underground water pipelines with above-ground pipelines to minimize leakages.
- Treatment and reuse of wastewater through an efficient Effluent Treatment Plant (ETP).

B. Technology Absorption

The Company's products are manufactured using its own in-house technical expertise and established manufacturing processes. No foreign technology was imported or absorbed during the financial year.

The Company continues to undertake continuous in-house research and development aimed at improving product quality, enhancing production efficiency, reducing environmental impact, and promoting sustainable manufacturing practices.

C. Foreign Exchange Earnings and Outgo

Imports and Expenditure in Foreign Exchange

Details relating to imports of raw materials, capital goods and stores & spare parts are provided in **Note No. 36** to the Financial Statements.

Value of Imports (C.I.F.) Value in respect of **(Rs. in lakhs)**

Particulars	As at 31.03.2025	As at 31.03.2026
(a) Raw materials	1494.71	853.06
(b) Capital goods	18.91	-
(c) Stores & spare parts	33.41	10.56

Foreign Exchange Earnings and Outgo

Foreign exchange earnings from exports during the financial year are summarized below:

Particulars	**For the year ended on 31/03/2026**	**For the year ended on 31/03/2025**	**% Increase/decrease (-)**
Earning in Foreign Currency on account of export of goods	**2024.00**	**1533.57**	**31.98%**

The Company's exports extend to Gulf, European, Asian, and other countries all over the world. During the year under review, the Company recorded an increase of 31.98% in export earnings. Detailed information regarding foreign exchange earnings and outgo is provided under Note No. 36 of the "Notes to Financial Statements" for the financial year ended March 31, 2026.

DEVELOPMENTS IN INDUSTRIAL RELATIONS AND HUMAN RESOURCES

Human resources are the key drivers of success for our organization, and the Company remains dedicated to cultivating a safe, progressive, and rewarding work environment. Operating in a labor-intensive segment of the paper manufacturing industry, we are committed to maintaining a workplace culture that attracts, develops, and retains top talent. During the year under review, industrial relations remained cordial and harmonious across all levels of the organization. As of March 31, 2026, the Company had 213 permanent employees on its rolls.

CORPORATE GOVERNANCE REPORT

Conforming to the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate and detailed Report on Corporate Governance forms an integral part of this Directors' Report. A Certificate from the statutory auditors of the Company confirming compliance with the conditions of Corporate Governance is also attached as an Annexure to the report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company maintains a policy of zero tolerance toward sexual harassment at the workplace and is committed to providing a safe and secure work environment. In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the rules framed thereunder, the Company has constituted the Internal Committee (IC) at its workplaces to address and redress any complaints received.

Pursuant to Section 134 of the Companies Act, 2013, read with Rule 8(5)(x) of the Companies (Accounts) Rules, 2014, the summary of complaints received and disposed of during the Calendar Year ended December 31, 2025, and the Financial Year ended March 31, 2026, is detailed below:

- Number of complaints pending at the beginning of the year: Nil
- Number of complaints received during the year: Nil
- Number of complaints disposed of during the year: Nil
- Number of complaints pending at the end of the year: Nil

DIRECTORS' CESSATION, RETIREMENT, APPOINTMENT AND RE-APPOINTMENT

Pursuant to the provisions of Section 152 of the Companies Act, 2013, and the Articles of Association of the Company, Mr. Tanmay Sangal (DIN: 01297057), Non-Executive Director, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment for shareholder approval.

Similarly, Mr. Vinayak Sangal (DIN: 06833351), Non-Executive Director, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment for shareholder approval.

The tenure of Mr. Himanshu Sangal (DIN: 00091324) as Managing Director expired on March 31, 2026. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors approved his re-appointment for a further term of 5 (five) years effective from April 1, 2026, up to March 31, 2031. Prior shareholder approval for this re-appointment was obtained at the 45th AGM held on September 26, 2025.

The tenure of Mr. Amit Sangal (DIN: 00091486) as Whole-Time Director expired on March 31, 2026. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors approved his re-appointment for a further term of 5 (five) years effective from April 1, 2026, up to March 31, 2031. Prior shareholder approval for this re-appointment was obtained at the 45th AGM held on September 26, 2025.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The Company maintains an optimum combination of Executive, Non-Executive, and Independent Directors on its Board, ensuring a balance of industry expertise, deep business insights, and functional specialization.

- Board of Directors:
    - Mr. Sapan Sodhi *(Chairman & Independent Non-Executive Director)*
    - Mr. Himanshu Sangal *(Managing Director)*
    - Mr. Amit Sangal *(Whole-Time Director cum CFO)*
    - Mr. Tanmay Sangal *(Non-Executive Director)*
    - Mr. Vinayak Sangal *(Non-Executive Director)*
    - Mrs. Vartika Malik *(Independent Non-Executive Women Director)*
- Key Managerial Personnel (KMPs):
    - Mr. Himanshu Sangal *(Managing Director)*
    - Mr. Amit Sangal *(Whole-Time Director & Chief Financial Officer)*
    - Mr. Anant Vats *(Company Secretary & Compliance Officer, Membership No. F-5575)*

BOARD EVALUATION

In accordance with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the provisions of the Companies Act, 2013, the Board has carried out a formal annual evaluation of its own performance, its collective committees (Audit, Nomination and Remuneration, and Stakeholders Relationship Committees), and individual directors. The performance evaluation criteria, parameters, and structured framework used for this exercise are explained in detail within the Corporate Governance Report.

DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

Pursuant to Section 178(3) of the Companies Act, 2013, and SEBI Listing Regulations, the Board has adopted a comprehensive policy for the selection, appointment, and remuneration of Directors and Senior Management personnel. This policy sets out the criteria for determining qualifications, positive attributes, and independence. The complete policy details are disclosed in the Corporate Governance Report and are accessible on the website of the Company at www.sangalpapers.com.

INDEPENDENT DIRECTORS AND THEIR DECLARATIONS

Mr. Sapan Sodhi (DIN: 10178992) and Mrs. Vartika Malik (DIN: 00687839) were appointed as Independent Directors by the shareholders at the 43rd AGM held on August 24, 2023, for a term of 5 consecutive years up to the conclusion of the 48th AGM.

The Company has received explicit annual declarations from both Independent Directors under Section 149(7) of the Companies Act, 2013, confirming that they meet all criteria of independence as stipulated under Section 149(6) of the Act and Regulation 25 of the SEBI (LODR) Regulations, 2015.

FAMILIARIZATION PROGRAM AND INDEPENDENT DIRECTORS' MEETING

During the financial year under review, a separate meeting of the Independent Directors was held to evaluate the performance of the non-independent directors, the Board as a whole, and the flow of information. Additionally, the Company conducts regular familiarization and orientation programs for its directors to keep them updated on industry trends, business models, and regulatory updates. The performance framework and details of these training programs are available in the Corporate Governance Report and on the corporate website (www.sangalpapers.com).

BOARD DIVERSITY

The Company recognizes the commercial and strategic value of a highly diverse Board. We firmly believe that a diverse boardroom brings a variety of perspectives, skills, geographical insights, age brackets, gender inclusion, and corporate knowledge that helps the Company sustain its long-term competitive advantage.

MEETINGS OF BOARD OF DIRECTORS AND ITS COMMITTEES

BOARD OF DIRECTORS MEETING

No of Meetings	Date of Meeting	Total No. of Directors	Directors present	Directors on leave of absence
1.	12/04/2025	6	6	NIL
2.	30/05/2025	6	6	NIL
3.	26/06/2025	6	6	NIL
4.	24/07/2025	6	5	1

5.	13/08/2025	6	6	NIL
6	14/11/2025	6	6	NIL
7	13/02/2026	6	6	NIL

AUDIT COMMITTEE MEETING

No. of Meetings	Date of Meeting	Total No. of Directors	Directors present	Directors on leave of absence
1.	30/05/2025	3	3	NIL
2.	13/08/2025	3	3	NIL
3.	14/11/2025	3	3	NIL
4.	13/02/2026	3	3	NIL

NOMINATION AND REMUNERATION COMMITTEE MEETING

No. of Meetings	Date of Meeting	Total No. of Directors	Directors present	Directors on leave of absence
1.	13/08/2025	3	3	NIL

STAKEHOLDERS RELATIONSHIP COMMITTEE MEETING

No. of Meetings	Date of Meeting	Total No. of Directors	Directors present	Directors on leave of absence
1.	14/11/2025	3	3	NIL

All the meetings were held in accordance with the applicable provisions of the Companies Act, 2013 and Rules made there under. The details of which are given in the Corporate Governance Report. The maximum interval between any two meeting of the Board of Directors and the Audit Committee, did not exceed 120 days, as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDIT COMMITTEE RECOMMENDATIONS

During the year, all the recommendations of Audit Committee were reviewed and approved by the Board of Directors, if any.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNAL

There are no significant or material orders passed by regulators, courts, statutory tribunals, or stock exchanges impacting the going concern status of the Company or its future business operations.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and Section 134(5) of the Companies Act, 2013, your Directors, based on the representations received from the operating management, confirm that:

- Accounting Standards: In the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

- Accounting Policies: They have selected such accounting policies and applied them consistently, making judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- Safeguarding Assets: They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- Going Concern: They have prepared the annual accounts on a going concern basis;
- Internal Financial Controls: They have laid down internal financial controls to be followed by the Company, and that such internal financial controls are adequate and are operating effectively; and
- Compliance Systems: They have devised proper systems to ensure compliance with the provisions of all applicable laws, and that such systems are adequate and operating effectively.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company's Internal Financial Control System is designed to ensure the risk-managed effectiveness and efficiency of corporate operations, accurate financial reporting, and strict compliance with applicable laws and regulations. The Company has adopted structured policies and procedures to ensure the orderly conduct of its business, including adherence to Company policies, safeguarding corporate assets, preventing and detecting fraud and errors, maintaining accounting accuracy, and completing timely financial disclosures.

RELATED PARTY TRANSACTIONS

All transactions with related parties during FY 2025-26 were in the ordinary course of business and on an arm's length basis. No transactions were entered into on a non-arm's length basis. Arrangements involving an office or place of profit exceeded the statutory threshold of ₹2.50 Lakhs per month and are classified as material. Prior approval for these transactions was obtained from members via Special Resolutions. Details of these material arm's length arrangements are disclosed in Section II of Form AOC-2, annexed as **"Annexure–I"**.

SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture, or Associate Company. Consequently, statements in Form AOC-1 are not required to be attached to this report.

CODE OF CONDUCT

The Board of Directors has adopted a unified Code of Conduct applicable to all Board members and Senior Management personnel. The Company maintains a policy of "Zero Tolerance" against bribery, corruption, and unethical trade practices. The framework, formally known as the "Code of Business Conduct," is hosted on the Company's website at sangalpapers.com.

The Code establishes standard business operating practices, emphasizing integrity, workplace professionalism, and transparent stakeholder interaction. All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year 2025-26.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013, and Regulation 22 of the SEBI (LODR) Regulations, 2015, the Company has established a Whistle Blower Policy and Vigil Mechanism framework for Directors and employees. This mechanism provides a secure avenue to report genuine concerns, financial regularities, or unethical conduct without fear of retaliation or victimization. The details of the policy are outlined within the Corporate Governance Report and are available on the website of the Company at www.sangalpapers.com.

STATUTORY AUDITORS

In terms of Section 139 of the Companies Act, 2013, and the rules framed thereunder, M/s Raj Viyom & Co. (formerly known as M/s Raj Sandhya & Co.), Chartered Accountants, were appointed as the Statutory Auditors of the Company by the shareholders at the 42nd Annual General Meeting for a second consecutive term of 5 (five) years. They continue to hold office from the conclusion of the 42nd AGM until the conclusion of the 47th AGM to be held in the calendar year 2027.

AUDITOR'S REPORT AND FRAUD DISCLOSURES

- Statutory Audit Observations: The Statutory Auditors' Report for the financial year ended March 31, 2026, does not contain any qualifications, reservations, adverse remarks, or disclaimers. The notes accompanying the financial statements are self-explanatory and require no further explanation under Section 134 of the Act.

- Reporting of Fraud by Auditors: During the financial year under review, no instances of fraud committed against the Company by its officers or employees were reported by the Statutory Auditors, Cost Auditors, or Secretarial Auditors under Section 143(12) of the Companies Act, 2013. Hence, no disclosures are required under Section 134(3)(ca) of the Act.

COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013, Mr. S. R. Kapur, Cost Accountant (Membership No. M-4926; Address: A-16 (G.F.), Ansal Courtyard, Bye Pass Road, Modipuram Crossing, Meerut, UP-250001), was appointed by the Board as the Cost Auditor to conduct the audit of the Company's cost records for the financial year ended March 31, 2026. The Board has further re-appointed them as Cost Auditors for the succeeding financial year 2026-27, subject to the ratification of their remuneration by shareholders at the ensuing AGM.

SECRETARIAL AUDITOR AND COMPLIANCE REPORTS

M/s. D.K. Gupta & Co., Practicing Company Secretaries (FCS No. 5226, CP No. 3599), continues as the Secretarial Auditor following the 5-year tenure appointment approved at the **45th AGM** (covering financial years 2025-26 to 2029-30). The Secretarial Auditor has issued the Secretarial Audit Report (**Form MR-3**), the Annual Secretarial Compliance Report, and a certificate confirming that no Director is debarred or disqualified by SEBI/MCA.

These reports contained observations regarding a 5-day technical delay due to an inadvertent clerical error in submitting the correct June 2025 quarterly XBRL files under **Regulation 27(2) and Regulation 13(3)** of SEBI (LODR) Regulations, 2015. This resulted in BSE base penalties of ₹10,000 and ₹5,000 respectively (plus applicable GST, totaling ₹11,800 and ₹5,900), which were fully paid via **UTR No. INB/NEFT/AXODH14011010469/bse limited/ICICI BANK LIMITED** dated 20th May 2026. The Secretarial Auditor also noted temporary website accessibility issues due to a technical restoration process, which was reported to the BSE on 6th May 2026 and 22nd May 2026. All reports are annexed to this Board's Report.

Board's Explanation on Auditor's Observations:

- **Filing Delays:** The original quarterly submissions were uploaded on time on July 9, 2025. However, due to an inadvertent clerical error, previous quarter XBRL files were attached to the portal. Correct files were uploaded immediately upon BSE notification on August 4, 2025. Payment was completed on May 20, 2026, and data cross-verification protocols have been reinforced to eliminate future attachment errors.

- **Website Accessibility:** Due to unforeseen technical difficulties, the official corporate website (www.sangalpapers.com) underwent a structural restoration process, causing historic data to be temporarily unavailable. The exchange was duly informed on May 6, 2026, and May 22, 2026. All missed data, documents, and previously disclosed filings have since been fully restored and updated on the website prior to the issuance of the Secretarial Audit Report.

PREVENTION OF INSIDER TRADING:

In January 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 with various amendments Pursuant thereto, the Company has formulated and adopted a Code of practice for fair disclosure of unpublished price sensitive information and Code of Conduct. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company 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 the Trading Window is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees are in compliance with the Code and the same has been informed under Code of Conduct section of this report.

DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR:

The Company has neither made any application nor any proceeding pending under Insolvency and Bankruptcy Code, 2016 during the financial year 2025-26.

DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTION:

The Company has not made any one-time settlement during the financial year 2025-26 with Banks or Financial Institution.

DISCLOSURE OF CERTAIN TYPE OF AGREEMENTS BINDING ON THE COMAPNY

Pursuant to Clause 5A of Para A of Part A of Schedule III of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, that the Company/ Board did not received any information (mentioned in Clause 5A of Para A of Part A of Schedule III of SEBI listing regulation) during the relevant financial year from its Shareholders, Promoters, Promoter Group Entities, Related Parties, Directors, Key Managerial Personnel, Employees of the Company or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity and also any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements.

ANNUAL RETURN

Annual Return in Form MGT-7 is available in the website of the Company www.sangalpapers.com

PARTICULARS OF EMPLOYEES

The provisions of Rule 5 (2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (include any modification or amendment thereof, if any) requiring particulars of the employees in receipt of remuneration in excess of Rupees One Crore and Two Lakh per year and Rupees Eight lakh Fifty Thousand per month only to be disclosed in the Report of Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of Rupees One Crore and Two Lakh per year and Rupees Eight lakh Fifty Thousand per month during the financial year 2025-2026.

The information required under section 197 (12) of the Companies Act, 2013 read with Rules 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is given in the Statement annexed herewith as "Annexure –II ".

ACKNOWLEDGEMENT:

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous co-operation and assistant.

For and on Behalf of Board of Directors

For Sangal Papers Limited

Date:13.08.2026	**Amit Sangal**	**Himanshu Sangal**
Place: Mawana	**Whole Time Director/CFO**	**Managing Director**
	DIN- 00091486	**DIN -00091324**

ANNEXURE “I” TO BOARD'S REPORT

Form No. AOC-2

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

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

I. **Details of contracts or arrangements or transactions not at arm’s length basis:**
The Company has not entered into any contract, arrangement, or transaction with its related parties during FY 2025-26 that was not in the ordinary course of business or not on an arm’s length basis. Material arrangements exceeding statutory thresholds under Section 188 are fully compliant with prior shareholder approval and are detailed under Section II below

(a) Name(s) of the related party and nature of relationship: Not Applicable

(b) Nature of contracts/arrangements/transactions: Not Applicable

(c) Duration of the contracts / arrangements/transactions: Not Applicable

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable

(e) Justification for entering into such contracts or arrangements or transactions: Not Applicable

(f) Date(s) of approval by the Board: Not Applicable

(g) Amount paid as advances, if any: Not Applicable

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

II. Details of material contracts or arrangement or transactions at arm's length basis during the year 2025-2026

S.No.	Name of Related Party	Nature of Relationship	Nature of contracts or Relationship	Duration of contract/transaction	Salient terms of the contracts or transactions including value (Rupees in Lakhs)	Amount paid as advances if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188:
1.	Mr. Tanmay Sangal (DIN No.:01297057)	Son of MD (Mr. Himanshu Sangal)	Salary for holding office or place of profit	Regular Service	42	NIL	28/09/2019
2.	Mr. Vinayak Sangal (DIN No.: 06833351)	Son of WTD (Mr. Amit Sangal)	Salary for holding office or place of profit	Regular Service	42	NIL	28/09/2019
3.	Smt. Renu Sangal-PAN-ATBPS2221F	Wife of Sh. Himanshu Sangal, Managing Director of the Company	Rent	Regular	4.44	NIL	N.A.

For and on Behalf of Board of Directors

For Sangal Papers Limited

Date:13.08.2026	**Amit Sangal**	**Himanshu Sangal**
Place: Mawana	**Whole Time Director/CFO**	**Managing Director**
	DIN- 00091486	**DIN -00091324**

ANNEXURE “II” TO THE DIRECTORS' REPORT

DETAILS OF REMUNERATION PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

PART A: DISCLOSURES PURSUANT TO RULE 5(1)

1. Ratio of Remuneration of each Director / KMP to the Median Remuneration of Employees (MRE)

- Percentage increase in the Median Remuneration of Employees (MRE) in the current financial year: 3.62% *(Previous Year Increase: 4.76%)*

- Ratio Analysis Table:

Name of Director / Executive	**Designation / Capacity**	**Remuneration Current Year (₹ in Lakhs)**	**Remuneration Previous Year (₹ in Lakhs)**	**% Increase / Decrease**	**Ratio to Median Remuneration**
Sh. Himanshu Sangal	Managing Director	84.00	84.00	0.00%	62.71 : 1
Sh. Amit Sangal	Whole-Time Director & CFO	84.00	84.00	0.00%	62.71 : 1
Sh. Tanmay Sangal	Non-Executive Director *(Salary drawn as President - Marketing)*	42.00	42.00	0.00%	31.36 : 1
Sh. Vinayak Sangal	Non-Executive Director *(Salary drawn as President - Operations)*	42.00	42.00	0.00%	31.36 : 1
Sh. Anant Vats	Company Secretary	7.88	7.60	3.68%	5.88 : 1

- *Notes: Details are provided on an accrual basis. For comparison, annualized salaries for both financial years have been utilized.*

2. Remuneration of Directors (Non-Executive) other than MD, WTD, and KMP

All Non-Executive and Independent Directors (Sh. Sapan Sodhi [DIN: 10178992] and Smt. Vartika Malik [DIN: 00687839]) received NIL remuneration or sitting fees during the year. Sh. Tanmay Sangal and Sh. Vinayak Sangal are Non-Executive Directors who received NIL sitting fees but received professional salaries as employees.

3. Change in Permanent Employees

Excluding Managing Director and Whole Time Director, the permanent employees changed from **217** employees in the previous year to **213** employees in the current financial year. This represents a reduction of **1.84%**.

4. Percentage Change in Remuneration of Non-Managerial Workforce vs. KMPs

- Managerial Personnel / KMP: Executive Directors received a 0.00% aggregate increment, maintaining strict status quo parity, while the Company Secretary received a 3.68% restructuring adjustment.
- Non-Managerial Workforce Pool: The total net expenditure on regular employee benefits dropped from ₹7,06,42,089 down to ₹6,58,60,818, marking a net pool reduction of 6.77% .
- Average Salary Movement: The structural average cost per regular workforce employee changed from ₹3,25,540 to ₹3,09,206, establishing a decrease of 5.02% .

5. Relationship Between Remuneration and Company Performance (Turnover)

Executive and senior operational remuneration profiles remained heavily controlled to maintain fiscal discipline. While all executive increments were capped at 0%, the core top-line revenue metrics stayed resilient, sliding minimally by -0.52%:

- Turnover (Current FY 2025-26): ₹1,79,33,91,398
- Turnover (Previous FY 2024-25): ₹1,80,27,06,592

6. Affirmation

It is hereby affirmed that the remuneration drawn by all Directors, Key Managerial Personnel (KMPs), and the senior management pool is strictly in adherence with the Remuneration Policy formulated and implemented by the Nomination and Remuneration Committee (NRC) of the Company.

PART B: STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO RULE 5(2) & 5(3)

Statement showing the names of the top ten employees in terms of remuneration drawn during the financial year 2025-26 (Sorted in descending order of remuneration):

The top ten employees for the 2025-26 financial year are listed in descending order of remuneration, led by Sh. Tanmay Sangal and Sh. Vinayak Sangal at ₹42.00 Lakhs annually.

S.No.	Employee Name	Designation	Educational Qualification	Exp (Yrs)	Gross Remuneration (₹ in Lakhs)	Previous Employment & Designation	Date of Joining	Date of Birth / Age	No of shares held as on 31.03.2026	Relationship with Director/Promoter
1	Sh. Tanmay Sangal	President - Marketing	MBA	15	42	Deloitte / Business Valuation Analyst	01-01-17	16/10/1985 (40)	45,731	Son of Sh. Himanshu Sangal, MD
2	Sh. Vinayak Sangal	President - Operations	B.Tech, MBA	9	42	Godrej & Boyce Mfg. Co. Ltd. / Purchasing Manager	01-04-17	21/11/1991 (34)	14,487	Son of Sh. Amit Sangal, WTD & CFO
3	Sh. Praveen Agarwal	VP - Plant	B.E., P.G.	42	12	Ruchi Paper Mill / GM	03-04-17	15/05/1960 (66)	Nil	None
4	Sh. Rakesh Kumar Singh	Manager - Pulp	Pulp Manager	12	8.46	Kamakshi Papers Private Limited	28-06-24	15/01/1988 (38)	Nil	None
5	Sh. Dinesh Kumar Sharma	GM - Production	Diploma in Paper Tech.	36	8.4	Shree Krishna Paper Mill / Work Manager	21-12-18	15/07/1966 (60)	Nil	None
6	Sh. Rakesh Paspola	Sales Manager	B.A.	30	8.05	N.A.	01-06-14	20/06/1968 (58)	Nil	None
7	Sh. Anant Vats	Company Secretary	C.S.	22	7.88	EB Savvy Infotech Private Limited	01-06-23	15/03/1974 (52)	Nil	None
8	Sh. Yashveer Tyagi	GM - Power Plant	B.O.E.	23	7.2	Rama Paper Mills Limited	20-01-22	20/03/1969 (57)	Nil	None
9	Sh. Kesho Singh	Electrical Manager	M.Tech.	41	6.95	N.A.	01-07-08	12/01/1959 (67)	Nil	None
10	Sh. Sanjay Kumar Agarwal	GM - Finance	M.Com, LL.B., CA	40	6.6	Anand Triplex Board Ltd. / GM Finance	01-08-09	01/07/1966 (60)	60	None

Note: Sh. Tanmay Sangal and Sh. Vinayak Sangal hold operational roles approved by shareholders via Special Resolutions. No other employee earned more than ₹1.02 Crore per year or ₹8.50 Lakh per month during this financial year.

For and on Behalf of Board of Directors

For Sangal Papers Limited

Date:13.08.2026	**Amit Sangal**	**Himanshu Sangal**
Place: Mawana	**Whole Time Director/CFO**	**Managing Director**
	DIN- 00091486	**DIN -00091324**

FORM NO. MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2026

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

To
The Members,
SANGAL PAPERS LIMITED
CIN: L21015UP1980PLC005138
Registered Office: Village Bhainsa, 22 K. M. Stone, Meerut – Mawana Road, Mawana, Dist. Meerut, UP - 250401

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Sangal Papers Ltd. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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 **Sangal papers Ltd**. ('the Company') its officers, agents, and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on **31st March 2026** complied with the statutory provision listed hereunder and also that the Company has proper Board processes and compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

A. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 according to the provision of:

I. The Companies Act, 2013 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 and as amended from time to time;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
(d) The Securities and Exchange Board of India (Shares Based Employees Benefits) Regulations 2014;
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

VI As informed by management other laws applicable to the Company are:-

1. Air (Prevention and Control of Pollution) Act, 1981 read with The Air (Prevention and Control of Pollution) Rules, 1982
2. Employee's Compensation Act, 1923
3. Employees' Pension Scheme, 1995
4. Employees' Provident Fund Scheme, 1952
5. Employees Provident Funds And Miscellaneous Provisions Act, 1952
6. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
7. Industrial Disputes Act, 1947
8. The Contract Labour (Regulation & Abolition) Act, 1970
9. The Payment of Bonus Act, 1965
10. The Payment of Gratuity Act, 1972
11. The Payment of Wages Act, 1936
12. Water (Prevention and Control of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 1975
13. Child Labour (Prohibition and Regulation) Act, 1986
14. Employees Deposit-Linked Insurance Scheme, 1976
15. Explosives Act, 1884

16. Foreign Exchange Management Act, 1999
17. Income-Tax Act, 1961 | Income-Tax Rules, 1962
18. Industrial Employment (Standing Orders) Act, 1946
19. Legal Metrology Act, 2009
20. Competition Act, 2002
21. Goods and Services Act, 2016 and Rules thereunder,

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

(ii) The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except some delayed filings in BSE respect of matters specified below: -.

Sl. No.	**Compliance Requirement (Regulations/ circulars / guidelines including specific clause)**	**Regulation / circular No.**	**Deviations**	**Action taken by Company**	**Type of Action**	**Details of violation**	**Fine Amt.**	**Observations/ Remarks of the Practicing Company Secretary**	**Management Response**	**Remarks**
1	quarterly compliance report on corporate governance for the quarter ended on 30th June 2025	Regulation 27(2) of the SEBI (LODR) Regulations, 2015	Delay-ed filing	Duly filed with fine as imposed by BSE	Notice of fine for delay filing	Delayed filing	Rs. 10,000 (Rupees Ten Thousand only) Plus GST as applicable	Penalty as imposed by Stock Exchange was paid vide UTR No. **INB/ NEFT/ AXODH14011010**	Duly filed with fine as imposed by BSE	NIL

								469/ bse limited / ICICI BANK LIMITED dated 20th May 2026		
2.	to file a quarterly statement of investor grievances and complaints with the recognized stock Exchanges for the quarter ended on 30th June 2025	Regulation 13(3) of the SEBI (LODR) Regulations, 2015	Delay-ed filing	Duly filed with fine as imposed by BSE	Notice of fine for delay filing	Delayed filing	Rs. 5,000 (Rupees Five Thousand only) Plus GST as applicable	Penalty as imposed by Stock Exchange was paid vide UTR No. **INB/ NEFT/ AXODH14011010469/ bse limited / ICICI BANK LIMITED dated 20th May 2026**	Duly filed with fine as imposed by BSE	NIL

B. I Further Report that:

The Board of Directors of the Company is duly constituted with executive, non-executive and independent directors. Based on our examination, the Company has complied with the provisions of the Act in respect of changes in the composition of the Board of Directors that took place during the period under review.

As informed adequate notices were given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at generally 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.

All decisions at Board meetings and committee meetings are carried out unanimously as recorded in the minutes of the meetings of Board of Directors or the Committees of the Board as the case may be.

C. I Further Report that:
based on review of compliance mechanism established by the Company, I am of the opinion that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

D. I Further Report that:
During the audit period, there was no event or actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, Guidelines, standards, etc.;

for D. K. GUPTA & CO.
(Company Secretaries)

Place: Meerut
Date: 13th August 2026
ICSI UDIN: F005226H001096756 Dated 13th August 2026

DINESH KUMAR GUPTA
(Proprietor)
C. P. No. 3599
FCS No. 5226
Peer Review Certificate no. **1993/2022**

Note : This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

'ANNEXURE - A'

To

The Members,
Sangal Papers Ltd.
CIN: L21015UP1980PLC005138

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

Management's Responsibility

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

Auditor's Responsibility

2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

Disclaimer

5. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

for D. K. GUPTA & CO.
(Company Secretaries)

Place: Meerut
Date: 13th August 2026
ICSI UDIN: F005226H001096756 Dated 13th August 2026

DINESH KUMAR GUPTA
(Proprietor)
C. P. No. 3599
FCS No. 5226
Peer Review Certificate no. **1993/2022**

Address: 164, Civil Lines, Behind Baijal Bhawan, Meerut – 250002, Uttar Pradesh, India
Mob: +91-9997773884, 9557089388 E-mail : dkgupta08@yahoo.co.in, dkguptafcs@gmail.com

Secretarial Compliance Report of Sangal Papers Limited

For the Financial Year Ended On 31st March 2026

[Pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th Feb. 2019 for the purpose of compliance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Sangal Papers Limited
CIN: L21015UP1980PLC005138
Reg. Office: Village Bhainsa, 22 K. M. Mawana Road, Meerut- 250401 UP IN

I, Dinesh Kumar Gupta, Practicing Company Secretary (FCS No. 5226 and C. P. No. 3599) have examined:

(a) all the documents and records made available to us and explanation provided by Sangal Papers Limited ("the Company"),

(b) the filings/ submissions made by the Company to the stock exchanges,

(c) website of the Company,

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification.

For the year ended on 31st March 2026 ("Review Period") in respect of compliance with the provisions of: -

a. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

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

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

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the company during the period under review)**

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the company during the period under review)**

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the company during the period under review)**

(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2021; **(Not applicable to the company during the period under review)**

(g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(h) Other regulations as applicable;

and circulars/ guidelines issued thereunder

Further in terms of SEBI Circular no SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024 in respect requirement of disclosure of Employee Benefit Scheme Documents in terms of regulation 46(2)(za) of Listing Regulations.

Based on my examination and verification of the documents and information and explanations given to me by the Company, I report that:

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

Sl. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regula Tion/ circular No.	Devia tions	Action taken by Com pany	Type of Action	Details of violation	Fine Amt.	Observa tions/ Remarks of the Practicing Company Secretary	Manage-ment Response	Remarks
1	quarterly compliance report on corporate governance for the quarter ended on 30th June 2025	Regulation 27(2) of the SEBI (LODR) Regulations, 2015	Delay-ed filing	Duly filed with fine as impo sed by BSE	Notice of fine for delay filing	Delayed filing	Rs. 10,000 (Rupees Ten Thousand only) Plus GST as applicable	Penalty as imposed by Stock Exchange was paid vide UTR No. **INB/ NEFT/ AXODH14011010469/ bse limited / ICICI BANK LIMITED dated 20th May 2026**	Duly filed with fine as imposed by BSE	NIL
2.	to file a quarterly statement of investor grievances and complaints with the recognized stock	Regulation 13(3) of the SEBI (LODR) Regulations, 2015	Delay-ed filing	Duly filed with fine as impo sed by BSE	Notice of fine for delay filing	Delayed filing	Rs. 5,000 (Rupees Five Thousand only) Plus GST as applicable	Penalty as imposed by Stock Exchange was paid vide UTR No. **INB/ NEFT/**	Duly filed with fine as imposed by BSE	NIL

	Exchanges for the quarter ended on 30th June 2025							**AXODH14011010469/ bse limited / ICICI BANK LIMITED dated 20th May 2026**		

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

Sl. No.	**Observations/ Remarks of the Practicing Company Secretary in the previous reports**	**Observations made in the secretarial compliance report for the year ended 31st March 2026**	**Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)**	**Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity**	**Remedial actions, if any, taken by the listed entity**	**Comments of the PCS on the actions taken by the listed entity**
	NIL	NIL	NIL	NIL	NIL	NIL

(C) I hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sl. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS*
1.	**Secretarial Standard** The compliances of the Company are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	Yes	

2.	**Adoption and timely updation of the Policies:** ■ All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the Company ■ All the policies are in conformity of with SEBI Regulations and has been reviewed & timely updated as per the regulations / circulars / guidelines issued by SEBI.	Yes	
3.	**Maintenance and disclosure on website:** • The Company is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(21 are accurate and specific which redirects to the relevant document(s)/ section of the website	Yes (However, the website maintained by the Company was not accessible during our audit process)	As explained by management, all disclosures generally required to be uploaded on company's website are available on https://sangalpapers.com/financials/ for financial year **2025-26**. Management also explained that the Company has informed the stock exchange vide their letter dated 06/05/2026 and 22/05/2026 that due to unforeseen technical difficulties, their official website, www.sangalpapers.com underwent a website restoration Process. Due to this, certain historic information

			and files have been inadvertently deleted or are temporarily unavailable. Management is in the process of re-uploading and restoring all missing data, documents, and previously disclosed filings to our website in due course.
4.	**Disqualification of Director:** None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	
5.	**Examined the details related to Subsidiaries of the Company:** (a) Identification of material subsidiary companies; (b) Requirement with respect to disclosure of material as well as other subsidiaries. (Company is not having any material subsidiaries)	NA	The Company had identified and there were no Material Subsidiary Company of the Company during the review period.
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015	Yes	

7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	
8.	**Related Party Transactions:** **(a)** The listed entity has obtained prior approval of Audit Committee for all Related party transactions. **(b)** In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee	(a) Yes (b) NA	The Company has obtained the prior approval of Audit Committee for all Related party transactions
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock	No	During the year, 1. BSE has imposed a fine of Rs. 10,000/-

	Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.		(Rupees Ten Thousand only) plus applicable GST for delayed submission of quarterly compliance report on corporate governance for the quarter ended on 30th June 2025 as required under Regulation 27(2) of the SEBI (LODR) Regulations, 2015. 2. BSE has imposed a fine of Rs. 5,000/- (Rupees Five Thousand only) plus applicable GST for delayed submission of quarterly statement of investor grievances and complaints for the quarter ended on 30th June 2025 as required under Regulation 13(3) of the SEBI (LODR) Regulations, 2015.

			The Company has paid the above fine as imposed by Stock Exchange vide UTR No. **INB/ NEFT/ AXODH14011010469/ bse limited / ICICI BANK LIMITED dated 20th May 2026**
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries:** In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	There was no such event during the year.
13.	**Additional Non-compliances, if any:** Additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	NA	Except as mentioned above in this report, No other non-compliance observed for all SEBI regulation/circular/guidance note etc

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.

2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.

3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.

4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Place: Meerut

for D. K. GUPTA & CO.
(Company Secretaries)

Date: 27th May 2026
UDIN: F005226H000496563 dated 27th May 2026

DINESH KUMAR GUPTA
(Proprietor)

C. P. No. 3599
M. No. F-5226
Peer Review Certificate no. **1993/2022**

SANGAL PAPERS LIMITED (CIN: L21015UP1980PLC005138)

Registered Office: 22- Km – Meerut Mawana Road, Mawana- 250401, District – Meerut (U.P)
E- Mail ID: sangalinvestors1980@gmail.com, **PH. No. :** 9997708723

CORPORATE GOVERNANCE REPORT

This report on Corporate Governance forms part of the Directors Report for the financial year ended 31st March, 2026.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Sangal Papers Ltd. strives to adopt the standard of excellence in Corporate Governance. The Company has consistently practiced good Corporate Governance norms for the past several years for the efficient conduct of its business and meeting its obligations towards all its stakeholders viz., the shareholders, customers, employees and the community in which the Company operates.

The Company has established procedures and systems to be fully complied with the requirements stipulated by the Securities and Exchange Board of India (SEBI) from time to time, under Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and other related policy adopted by the company has been implemented in a manner so as to achieve the objective of Corporate Governance. The essential elements of Corporate Governance are fairness, transparency, accountability and responsibility towards which company continues to remain committed.

2. BOARD OF DIRECTORS

(i) COMPOSITION AND CATEGORY OF DIRECTORS

The Board of Directors of the Company have an optimum combination of Executive, Non- Executive and Independent Directors who have an in- depth knowledge of business, in addition to the expertise in their areas of specialization.

The Board of the Company comprises Six Directors- Two Executive Directors and Four Non-Executive Directors, of whom two are Independent Directors. The current strength of the Board includes one Woman Independent Director. Mr. Sapan Sodhi, Non-Executive Independent Director is the Chairperson of the Board of Directors.

Composition of the Board of Directors as on 31st March 2026:

Director Name	Category of Directors	Qualification of director	Experience in years	Expertise in area	Subject to retirement by rotation	No. of Directorship in other Company (including private limited company)	Number of Committee positions held in other public companies
							Chairman | Member
Mr. Himanshu Sangal	Managing Director/ Promoter/ Executive	Graduate, LLB.	46 (Paper industries) 10 (Pharma)	Operation, production, administrative management	No	NIL	NA | NA
Mr. Amit Sangal(brother of Mr.Himanshu Sangal	Whole Time Director/CFO / Promoter/ Executive	Graduation in commerce	33 (Paper industries) 13 (Finance)	Finance, sale, operation, raw material management	No	TWO (2)	NA | NA
Mr. Tanmay Sangal(son of Mr. Himanshu Sangal)	Director/ Promoter/ Non-Executive	MBA (Finance)	17	International business, Marketing, finance and business administration	Yes	NIL	NA | NA
Mr. Vinayak Sangal(son of Mr. Amit Sangal)	Director/ Promoter/ Non-Executive	B.Tech., MBA	12	Operation, raw material and production management	Yes	NIL	NA | NA

Mr. Sapan Sodhi	Independent Director/ Non-Executive	Law Graduate	32	Administration, legal	No	NIL	NA | NA
Mrs. Vartika Malik	Independent Director/ Non-Executive/ Women Director	Law Graduate	32	Management, taxation, Legal	No	ONE (1)	NA | NA

- *Note: Pursuant to the applicable provisions of Companies Act, 2013 and Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, board has carried out an evaluation of its own performance, the directors individually as well as the valuation of the working of its Committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.*

Board Skills and Expertise Matrix

Core Skill / Expertise	Mr. Himanshu Sangal	Mr. Amit Sangal	Mr. Tanmay Sangal	Mr. Vinayak Sangal	Mr. Sapan Sodhi	Mrs. Vartika Malik
Technical Engineering				✓		
Corporate Finance & Taxation		✓	✓			✓
Corporate Law & Governance	✓				✓	✓
Supply Chain & Procurement		✓		✓		
Marketing & Administration	✓		✓		✓	✓

(ii) Details of Board Meetings:

The total number of Board Meetings held during the financial year ended as on 31st March 2026 was **Seven (7)**. The details are as follows:

S.No.	Date of Board Meeting	S.No.	Date of Board Meeting
1	12/04/2025	**5**	13/08/2025
2	30/05/2025	**6**	14/11/2025
3	26/06/2025	**7**	13/02/2026
4	24/07/2025		

(iii) Attendance of Directors at the Board Meetings:

Name of the Director	Designation/ Category	Board Meeting Held During the Year	Board Meeting attended during the year	Whether attended last AGM (26.09.2025)
Himanshu Sangal	Managing Director/Promoter/Executive Director	7	**6**	Yes
Amit Sangal	Whole Time Director cum CFO/ Promoter/ Executive Director	7	7	Yes
Tanmay Sangal	Director/Promoter/ Non-Executive Director	7	7	Yes
Vinayak Sangal	Director/Promoter/ Non-Executive Director	7	7	Yes
Sapan Sodhi	Independent Director/ Non-Executive Director	7	7	Yes
Mrs. Vartika Malik	Independent Director/ Non-Executive Director	7	7	Yes

Note: Mr. Himanshu Sangal was granted a formal leave of absence for the Board Meeting held on 24/07/2025.

3. COMMITTEES OF THE BOARD

1. Audit Committee

i) Terms of Reference:

Apart from all the matters provided in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and section 177 of the Companies Act 2013, the Audit Committee reviews reports/findings of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company.

In order to effectively discharge their responsibility, the Audit Committee members have been empowered:

- To investigate any activity within its terms of reference.
- To seek information from any employee of the Company.
- To obtain outside legal or other professional advice.
- To invite statutory/ internal auditors.

The Committee acts as a link between the Internal Auditor, Statutory Auditor and the Board of Directors of the Company. The Committee reviews the financial statements and other related matters before submission to the Board for approval. Audit Committee charter containing terms and conditions is available on the website of the Company at https://sangalpapers.com.

ii) Composition :

Audit Committee consists of three directors as follows:

Name of Director	Category	Designation	No. of Meetings Held	No. of Meetings Attended
Mrs. Vartika Malik	Independent/Non-Executive Director	Chairperson	4	4
Mr. Sapan Sodhi	Independent/Non-Executive Director	Member	4	4
Mr. Himanshu Sangal	Managing Director	Member	4	4

Note: Four Audit Committee meetings were held during the year ended 31st March, 2026 on 30/05/2025, 13/08/2025, 14/11/2025, and 13/02/2026.

2. STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to the provisions of the Regulation 20 read with part D of Schedule II of the SEBI Listing Regulation and Section 178 of the Act, the Company has constituted "Stakeholders Relationship Committee" ("SRC") to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report etc. Stakeholder Relationship Committee consists of three directors as follows:

Name of Director	Category	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Sapan Sodhi	Independent/Non-Executive Director	Chairperson	1	1
Mrs. Vartika Malik	Independent/Non-Executive Director	Member	1	1
Mr. Himanshu Sangal	Managing Director	Member	1	1

Note: One stakeholder Relationship Committee meeting was held during the year ended on 31st March, 2026 on 14/11/2025.

Investors' complaints attended and resolved during the year 2025-2026:

Investors' complaints	Attended/resolved during 2025-26
Pending at the beginning of the year	0
Received during the year	3
Disposed of during the year	3
Remaining unresolved at the end of the year	0

The Stakeholder Relationship Committee charter containing terms and conditions is available on the website of the Company at www.sangalpapers.com.

3. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration committee inter alia includes Succession planning for Board of Directors and Senior Management Employees, identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria, identifying potential individuals for appointment of Key Managerial Personnel and other senior managerial positions and review the performance of the Board of Directors and Senior Management personnel including Key Managerial personnel based on certain criteria approved by the Board. The Committee consists of three members as follows:

Name of Director	Category	Designation	No. of Meetings Held	No. of Meetings Attended
Mrs. Vartika Malik	Independent/Non-Executive Director	Chairperson	1	1
Mr. Sapan Sodhi	Independent/Non-Executive Director	Member	1	1
Mr. Vinayak Sangal	Director/Promoter/Non-Executive	Member	1	1

Note: One Meeting of the Nomination and Remuneration Committee was held during the year ended on 31st March, 2026 on 13/08/2025.

The Committee ensures appropriate disclosure on the remuneration of Directors and deals with the remuneration package of Directors, Service Contract, Notice Period, Severance Fees and Stock Options, if any. Sitting fee of Rs. 2,000/- per meeting is payable to all non-executive directors except the promoter group directors, who attended the Board Directors meetings and committee meetings held during the year. No shares of the Company are held by independent directors. The Nomination and Remuneration Committee charter containing terms and conditions is available on the website of the Company at https://sangalpapers.com.

Payment to Managing Director and Whole Time Director/CFO (On Annual basis):

Name of the Director	Designation	Remuneration (Rs. In Lakhs) p.a.
Mr. Himanshu Sangal	Managing Director	84
Mr. Amit Sangal	Whole Time Director/CFO	84

Payment to Director (other than Managing Director and Whole Time Director/CFO):

Name of the Member	Designation	Remuneration (Rs. In Lakhs) p.a.

Mr. Tanmay Sangal	As President Marketing As Non-Executive Director	42 Lakhs NIL
Mr. Vinayak Sangal	As President Operations As Non-Executive Director	42 Lakhs NIL
Mr. Sapan Sodhi	Independent Director	NIL
Mrs. Vartika Malik	Independent Director	NIL

Mr. Tanmay Sangal, President Marketing and Mr. Vinayak Sangal, President Operations receive salary in the capacity of employees of the company and not in the capacity of directors of the Company. Sitting fees to non-executive-independent-director is Rs. 2,000 per meeting. The Company is paying sitting fees only to Independent Directors and not to other Promoter-Directors.

4. BOARD MEMBERS AND INDEPENDENT DIRECTOR'S PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board and Nomination and Remuneration Committee have carried out the annual evaluation of performance of individual Board of Directors and Independent Directors as individuals for the financial year 2025-26. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process. Non-observation found out in evaluation of Board of Directors of the company, so it does not require any action.

5. DIRECTOR'S APPOINTMENT AND REMUNERATION POLICY:

Policy for appointment and removal of Director, KMP and Senior Management

i. Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years, subject to the conditions. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

ii. Term / Tenure

a) **Managing Director/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
b) **Independent Director:** An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms.

iii. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP, Independent Directors and Senior Management Personnel at regular intervals (yearly).

iv. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel.

v. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age.

6. POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME-DIRECTOR, KMP, AND SENIOR MANAGEMENT

i. General:

a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Nomination and Remuneration Committee and recommended to the Board for approval.
b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with

the percentage/slabs/conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board.

d) Where any insurance is taken by the Company on behalf of its executives for indemnifying them against any liability, the premium paid shall not be treated as part of the remuneration.

ii. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

a) **Fixed pay:** The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee.
b) **Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration in accordance with Schedule V of the Act.
c) **Provisions for excess remuneration:** If any sums are drawn in excess of limits, he/she shall refund such sums to the Company and hold it in trust.

iii. Remuneration to Non- Executive / Independent Director:

a) **Remuneration / Commission**: Fixed as per conditions in the Articles of Association and the Act.

b) **Sitting Fees:** Fees shall not exceed Rupees One Lakh per meeting.

c) **Commission:** Limited to 1% of net profits.

d) **Stock Options:** An Independent Director shall not be entitled to any stock options.

7. GENERAL BODY MEETINGS

i) The details of the last three Annual General Meetings are held as under:

Financial Year	Date	Time	Venue and Medium	No. of Special Resolutions Passed
2024-2025	26/09/2025	1:30 P.M.	Through Video Conferencing / OAVM with deemed venue being registered office of the Company at Vill. Bhainsa, 22km stone, Meerut-Mawana Road, Mawana, 250401	Two (2)
2023-2024	12/09/2024	1:30 P.M.	Through Video Conferencing / OAVM with deemed venue being registered office of the Company at Vill. Bhainsa, 22km stone, Meerut-Mawana Road, Mawana, 250401	Zero (0)
2022-2023	24/08/2023	1:30 P.M.	Through Video Conferencing / OAVM with deemed venue being registered office of the Company at Vill. Bhainsa, 22km stone, Meerut-Mawana Road, Mawana, 250401	Two (2)

ii) **Postal Ballot:** For the year ended as on 31st March, 2026, there was no ordinary or special resolution passed by the company through postal ballot.

8. SUCCESSION POLICY:

The Nomination and Remuneration Committee works with the Board of Directors of the Company on the leadership succession plan and prepares contingency plans for succession in case of any exigency.

9. RISK MANAGEMENT POLICY:

Pursuant to Section 134(3) of the Companies Act, 2013, the Company has a risk management program which comprises a series of processes, structures and guidelines to assist the Company to identify, assess, monitor and manage its business risks. The objective and scope broadly comprise: Oversight of executive risk performance, Policy alignment with SEBI guidelines, and initializing mitigation actions.

Risk Management Committee- During the FY 2025-26, the provisions of the Regulation 21 of the SEBI Listing Regulation are not applicable on the company, so that there is no requirement to constitute Risk Management Committee.

10. FAMILIARIZATION PROGRAM AND INDEPENDENT DIRECTORS MEETING:

As per Company annual strategy and planning, a Familiarization program of the independent directors was conducted during the financial year ended on 31st March 2026. In accordance with Schedule IV of the Act and Regulation 25 of SEBI (LODR), a separate meeting of Independent Directors was held on **21st Day of February, 2026**. Mr. Sapan Sodhi was unanimously elected as Chairman of the meeting and Mrs. Vartika Malik was present. The metrics discussed included performance evaluation of non-independent lines and the quality flow of executive information.

11. SHAREHOLDERS:

(a) MEANS OF COMMUNICATION WITH SHAREHOLDERS:

The quarterly, half yearly and annual results are communicated to BSE Limited immediately upon board approval. Results are published in Financial Express (English) and Jansatta (Hindi). They are displayed on the website sangalpapers.com under the Investors Tab.

Complaints and Grievances Address: sangalinvestors1980@gmail.com.

Share Transfer Agents: M/s. Mas Services Limited, T-34, 2nd Floor Okhla Industrial Area, Phase-II,

New Delhi-110020, Email: Investor@masserv.com, Phone No.: 011-26387281-82-83

Share Transfer System

The Company's share transfer mechanism is aligned with SEBI directives. In compliance with SEBI's "Ease of Doing Investment" circular, Sangal Papers Limited, through its Registrar and Share Transfer Agent (RTA), MAS Services Limited, has implemented the special one-year window (February 5, 2026, to February 4, 2027) for processing and re-lodgement of physical share transfers. Valid requests under this window are registered exclusively in dematerialised form and subject to a statutory one-year lock-in period. Valid, non-disputed physical transfer submissions with complete documentation and KYC are processed within the mandated 70-day timeline. Regular physical transfers remain restricted under SEBI Listing Regulations.

(b) OUTSTANDING GDRs/ADRs/WARRANTS/CONVERTIBLE INSTRUMENTS AND THEIR IMPACT ON EQUITY:

The Company has **NIL** outstanding Global Depository Receipts (GDRs), American Depository Receipts (ADRs), warrants, or any other convertible financial instruments as on March 31, 2026; hence there is no impact on equity share base.

12. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company maintains an operating Internal Complaints Committee ("ICC"). During the year ended March 31, 2026, no complaints were received. (Number of complaints filed, disposed of, or pending: **Nil**).

13. ADDITIONAL MANDATORY STATUTORY COVENANTS

- **Policy for Determining Material Subsidiaries:** Not Applicable (N.A.) as the company holds no corporate subsidiary branches.
- **Credit Rating Profiles:** The Company has not obtained an external credit rating for the financial year ended March 31, 2026, as its aggregate outstanding bank borrowings fall below the statutory threshold requiring mandatory credit assessment.
- **Cut-off-date and remote e-Voting: -** The remote e-voting period begins on Sunday, September 20, 2026 at 9:00 A.M. and ends on Tuesday, September 22, 2026 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, September 16th, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, September 16th, 2026.
- **Listing Fee Affirmation:** The annual listing fees have been cleared and paid to BSE Limited for the current financial cycle.
- **Unclaimed Securities Suspense Escrow Account:** Maintained within timelines under the title *Sangal Papers Limited Suspense Escrow Demat Account*.

- **Statutory Audit Fees:** Total fee payments made to the Statutory Auditors stood at **INR 2.00 Lakhs**. The Company explicitly affirms that no fees were paid for prohibited non-audit management services under Section 144 of the Companies Act, 2013.

- **Capital Market Fines:** Except for a late procedural filing penalty of **₹17,700/- (inclusive of GST)** levied and recovered by BSE Limited which has been fully paid, no other market strictures have been imposed.

- **Commodity Price Risks and Hedging:** The Company faces raw material cost exposure regarding waste paper procurement. No derivative hedging contracts were executed during the financial year 2025-26, and risks are managed through strategic spot inventory buffering.

14. AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

A Certificate has been obtained from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance laid down in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 of the said company with stock exchanges and is annexed to this Annual Report

15.CEO/CFO CERTIFICATION

The MD and CFO have issued certificate pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 certifying that the financial statements do not contain any untrue statements and these statements represent a true and fair view of the Company's affair. The said certificate is annexed and forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting :

Date	**Wednesday, 23rd September, 2026**
Time	**01:30 P.M.**
Place	**Through Video Conferencing/OAVM**

Please note that Annual Report and Notice shall be mailed to the shareholders who have registered or updated their email id's with the Company. Members who have not update their email address will receive a letter with a weblink where the notice along with annual report for F.Y. 2025-2026 is hosted.

NOTE :

Investors/Shareholders are requested to update their PAN,email id, mobile no., Bank details and Nominee details with the company by contacting our Company's RTA (Registrar and Share Transfer Agent) by emailing at investor@masserv.com and Contact No. – 01126387281-82-83 or visit www.masserv.com.

Postal Ballot

There was no Postal Ballot in the year, pursuant to Section 110 of the Companies Act, 2013 read with relevant Rules.

Financial Year

The Financial Year of the Company is from 1st April 2025 to 31st March 2026 for which this report is prepared.

Financial Calendar (tentative dates)

First quarter results (June 30)	By first half of August 2026
Second quarter results (September 30)	By first half of November 2026
Third quarter results (December 31)	By first half of February 2027
Fourth quarter & annual audited results of the current Financial Year (March 31)	By Second half of May 2027

Listing in Stock Exchange and Stock Code:

Name of Stock Exchange: BSE

Scrip Code:(516096)

Scrip ID:SANPA

ISIN: INE384D01022

Registrar and Share Transfer Agent: MAS SERVICES LTD.,

Address: T-34, IInd Floor, Okhla Industrial Area, Phase- II, New Delhi- 110020.

Phone No.: 011-26387281 - 82 – 83

Mail ID: investor@masserv.com

Confirmation of payment of Annual Listing Fees of BSE:

The Company has paid the listing fees and any other fees, if any of BSE Limited for the financial year 2025-2026 and 2026-2027.

Market Price Data: High/Low of Market price of Company's equity share traded on BSE, during the financial year ended on 31st March, 2026 was as follows:

Month	High	Low
April 2025	218.95	173.60
May 2025	219.65	172

June 2025	212	151.10
July 2025	203	173.10
August 2025	267	165
September 2025	285	208
October 2025	229	189.10
November 2025	215.95	181.50
December 2025	221.30	177
January 2026	218.80	156.20
February 2026	225.85	178
March 2026	195.15	159.75

Share held in physical and Dematerialized Form:
As on 31.03.2026

Mode of Shareholding	No. of Shares	%
SHARES HELD IN NSDL	205630	15.73
SHARED HELD IN CDSL	715550	54.74
SHARES HELD IN PHYSICAL	386080	29.53
TOTAL	1307260	100.00

Distribution of Shareholding as on March 31, 2026.

No. of shareholders	Percentage total (%)	Size of Shareholding	No. of Share	Amount in Rs.	Percentage total (%)
7792	98.32	1 to 5000	464406	4644060	35.53
67	0.85	5001 to 10000	49181	491810	3.76
25	0.32	10001 to 20000	31261	312610	2.39
8	0.10	20001to 30000	18839	188390	1.44
6	0.08	30001 to 40000	19572	195720	1.5
3	0.04	40001 to 50000	13329	133290	1.02
10	0.12	50001 to 100000	74938	749380	5.73
14	0.17	100001 to above	635734	6357340	48.63
7925	**100.00**	**Total**	**1307260**	**13072600**	**100.000**

Shareholding Pattern: Shareholding pattern of the company as on 31st March, 2026.

Sr. No.	Category	No. of Share	% of Shareholding
1.	Promoters (Individuals)(100% in DEMAT)	516042	39.48
2.	Other than promoters (Individuals)	764709	58.50
3.	Corporate bodies	22538	1.72
4.	Financial Institutions/Bank and Mutual Funds	0	0.00

6.	Venture capital Fund	0	0.00
7.	NRI's (Repatriated and Non-Repatriated)	3391	0.26
8.	Clearing Members	580	0.04
	Total	1307260	100.00

Outstanding GDR's/ADR's/Warrant's/Convertible instruments and their impact on equity.
NIL.

Foreign Exchange risk and hedging activity:
NIL
Book Closure: The Company has opted not to close its Share Transfer Books. A cut-off date of 16th September, 2026, has been fixed to determine the eligibility of members for both remote e-voting and the Annual General Meeting.

Registered office/Plant locations and address for correspondence:
Sangal Papers Limited's plant and registered office situated at:Village Bhainsa, 22km stone, Meerut- Mawana road , Meerut, Mawana, UP- 250401

DISCLOSURE:

Disclosures on materially significant Related Party Transactions (RPT) that may have potential conflict with the interests of company at large:

During the financial year 2025-2026, the Company's transactions with the related parties are in compliance with the applicable provisions of the Act and SEBI Listing Regulations and do not have potential conflicts with the interest of the Company. Further, the details of related party transactions are presented in Notes to the financials statements of the company. In line with requirement of the Act and SEBI Listing Regulations, the Company has formulated a policy for determining Materially Significant Related Party Transactions and the same is disclosed on website of the Company at www.sangalpapers.com.

Total fees for all services paid by the company to the statutory auditors for the financial year 2025-2026:

Total fees of INR 2.00 Lakhs (including out of pocket expenses) for financial year 2025-26, for all services, was paid by the Company, to the Statutory Auditors.

Certificate from Mr. DK Gupta, proprietor M/s D K Gupta & Co., Company Secretary in Practice that none of the directors on the board of the company have been debarred or disqualified from the being appointed or continuing as directors of the companies by the Board/MCA:

A certificate from Mr. DK Gupta proprietor M/s D.K. Gupta & Co., Company Secretary in Practice, certificate attached herewith.

Details of non-compliance by the Company, penalties, structures imposed by SEBI or any statutory authority, on any matter related to the capital markets during the last three years:

No penalty is imposed by SEBI or any other regulatory authority on matters related to the capital market during the last three year except 5-day technical delay due to an inadvertent clerical error in submitting the correct June 2025 quarterly XBRL files under **Regulation 27(2) and Regulation 13(3)** of SEBI (LODR) Regulations, 2015. This resulted in

BSE base penalties of ₹10,000 and ₹5,000 respectively (plus applicable GST, totaling ₹11,800 and ₹5,900), which were fully paid via **UTR No. INB/NEFT/AXODH14011010469/bse limited/ICICI BANK LIMITED** dated 20th May 2026.

The Company always strives to comply with the requirements of the Stock exchange, SEBI and other statutory authorities on all matters related to capital markets from time to time as required through circulars and notifications etc.

Suspense Escrow Demat Account:

SEBI, vide its letter No. SEBI/HO/MIRSD/POD-1/OW/P/2022/ 64923 dated December 30, 2022, had issued Guidelines with respect to procedural aspects of 'Unclaimed securities- Suspense Escrow Demat Account' to be opened by listed entities pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/6 dated January 25, 2022, latest by January 31, 2023. The Company has opened the 'Unclaimed Securities Suspense Escrow demat Account' within the stipulated timeline in the name of Sangal Papers Limited Suspense Escrow Demat Account. There are 500 unclaimed shares in this account as on 31.03.2026.

Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel have been denied access to the audit committee;

The details of the policy on vigil mechanism, whistle blower can be found out on our website at https://sangalpapers.com The Company confirms that no personnel have been denied access to the audit committee.

Compliance with the conditions of Corporate Governance:

The Company has complied with all the Corporate Governance requirements specified in regulation 17 to 27, clause (b) to (i) of sub-regulation (2) of regulation 46 or any other relevant regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Policy for determining 'material' subsidiaries: NA

Declaration on code of conduct and code of ethics:

The board has laid down the standard procedure of business code of conduct and code of ethics which is expected to be followed by the directors which is being followed by them. The board of directors has laid down/adopted a Code of Conduct and Code of Ethics for all Board members of the Company and such policies are on the Company website i.e. https://sangalpapers.com. All Board Members have affirmed compliance with the code of conduct for the financial year 2025-26.

For and on Behalf of Board of Directors

For Sangal Papers Limited

Date:13.08.2026	**Amit Sangal**	**Himanshu Sangal**
Place: Mawana	**Whole Time Director/CFO**	**Managing Director**
	DIN- 00091486	**DIN -00091324**

CERTIFICATE OF MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER ON CORPORATE GOVERNANCE

The Board of Directors,
Sangal Papers Limited,
Vill. Bhainsa, 22km stone, Meerut- Mawana road,
Mawana, Meerut, UP-250401

We have reviewed the financial statement and the cash flow statement of Sangal Papers Limited for the financial year 2025-26 and certify that:

a) These statements to the best of our knowledge and belief:

I. Do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading.

II. Present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable law and regulations.

b) To the best of our knowledge and belief, there are no transactions entered into by the Directors and Senior Management Personnel during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.

d) We have also indicated to the Auditors and the Audit Committee:

i) Significant changes in Internal Controls with respect to financial reporting during the year.

ii) Significant changes in accounting policies during the year and these have been disclosed in the notes to the financial statements.

e) To the best of our knowledge and belief, there are no instances of significant fraud involving either the management or employees having a significant role in the Company's internal control systems with respect to financial reporting.

For and on behalf of the Board of Directors

Date: 29/05/2026	**Amit Sangal**	**Himanshu Sangal**
Place: Mawana	**Whole Time Director/CFO**	**Managing Director**
	DIN- 00091486	**DIN- 00091324**

RAJ VIYOM & CO.

CHARTERED ACCOUNTANTS

CA INDIA

AUDITOR'S COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Members
Sangal Papers Limited,
Vill. Bhainsa, 22km stone, Meerut-Mawana Road,
Mawana, Meerut, UP

We have examined the compliance of conditions of Corporate Governance by Sangal Papers Limited For the year ended March 31st, 2026 stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 of the said company with stock exchanges.

The Compliance of condition of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company to ensure Compliance with the condition of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has fully complied with all mandatory Conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations,2015.

For RAJ VIYOM & CO.,
Chartered Accountants,
ICAI Firm Regn. No. 002011C,

RAJ VIYOM & CO. Muzaffar Nagar Chartered Accountants

CA Raj Kumar Sharma
Partner
Membership No.: 077650
UDIN: 26077650VTJGBN7890

Dated: 10.08.2026
Place: Muzaffarnagar

CA Raj Kumar Sharma
+91 9927004815

rajkumar_fca@rediffmail.com

572/7, Bhartiya Colony,
Muzaffarnagar, Uttar

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report for the financial year ended **31ST March 2026** is presented below.

Sangal Papers Limited (hereinafter referred to as "the Company") was incorporated in the year 1980 and has its registered office in the State of Uttar Pradesh. The Company is engaged in the manufacture of newsprint, writing and printing paper, kraft paper, and a wide range of coloured and speciality paper for domestic as well as international markets. The Company's products are tailored to meet the diverse and evolving requirements of its customers while maintaining high standards of quality and operational excellence.

The following discussion provides an overview of the Company's business environment, industry developments, operational and financial performance, opportunities, risks, internal control systems, and future outlook for the financial year ended **31ST March 2026**.

A) INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian paper industry is expected to grow at an annual rate of approximately 6% to 7%, with overall demand projected to reach around 30 million tonnes by FY 2026-27, according to the Indian Paper Manufacturers Association (IPMA).

However, the past financial year was a very challenging one on a global scale. The industry had to deal with intense geopolitical situations, aggressive import tariffs, and volatile currency values. For companies that trade across borders, these global conditions made international shipping, logistics, and raw materials significantly more expensive.

Despite these infrastructure and geopolitical hurdles, baseline demand across various segments of the Indian Paper Industry remains highly resilient. There is a clear market shift toward higher-quality, eco-friendly products as a promising substitute since the government has banned single-use plastics. This shift is expected to create significant growth opportunities. To meet this growth safely, paper mills must focus on factory capacity upgrades, quality improvements, and low-cost energy solutions.

B) OPPORTUNITIES AND THREATS

The Company has established a strong market presence and enjoys long-standing relationships with its customers in both domestic and export markets.

Our best operational practice relies on a flexible, eco-friendly sourcing model. Since we are an FSC Certified company making sustainable products, we reduce reliance on virgin pulp. We strategically balance our fiber supply chain by mixing imported waste paper with domestic waste paper depending on international market pricing. Furthermore, to protect our margins from volatile global energy prices, our manufacturing operations rely heavily on cost-effective, local agro-based fuels. This sustainable energy strategy reduces dependence on conventional fossil fuels while supporting cost efficiency and environmental sustainability.

Global Setback & Margin Pressures

Global trade volatility, including geopolitical tensions and new tariffs, combined with a weakened local currency, significantly increased import costs for foreign raw materials. Due to high price sensitivity in the market and limited pricing power, the company was forced to absorb these expenses, resulting in reduced profit margins.

CAPEX and Technology Challenges

Manufacturing paper requires massive volumes of water and electricity. To control emissions and lower production costs, factories require continuous upgrades and heavy investments in Capital Expenditure (CAPEX). This remains an ongoing challenge for small-scale manufacturers in a price-sensitive market. Government support—such as energy incentives, stabilization of raw material trade, and improved supply chain systems—is vital to helping the industry stay sustainable and competitive.

C) SEGMENT REPORTING

Sangal Papers Limited operates in a single business segment: the manufacturing and sale of paper.

In our geographic segment, we successfully maintain a balanced mix of domestic commerce and global trade. The Company serves customers across India and exports its products to various international markets, including Sri Lanka, Singapore, Nepal, Iran, the United Arab Emirates, and other countries.

D) OUTLOOK AND FUTURE PROSPECTS

The Indian paper industry is expected to maintain steady long-term growth, supported by increasing demand from the education, packaging, publishing, and industrial sectors. The industry is a significant contributor to employment, providing livelihoods to approximately 5 lakh people directly and 15 lakh people indirectly.

The paper industry broadly comprises the following segments:

1. Printing and Writing Paper - This segment caters to textbooks, notebooks, office stationery, and educational publications. Demand is expected to remain stable, supported by increasing literacy levels and continued Government initiatives in the education sector.

2. Packaging Paper -This is the fastest-growing segment of the industry, driven by increasing demand from the FMCG, food processing, pharmaceutical, and e-commerce sectors, as well as the growing preference for sustainable packaging solutions.

3. Newsprint – This segment primarily serves newspapers and magazines and continues to face challenges due to the increasing adoption of digital media and competition from duty-free imports.

During the financial year, the Company successfully completed a major modernization and capacity expansion program through the installation and commissioning of a new 4.5 MW high-efficiency co-generation turbine, replacing the existing 3 MW turbine, along with the upgradation of key manufacturing equipment.

Consequent to the expansion, the Company's installed manufacturing capacity has increased from 33,000 Metric Tons per annum to 66,000 Metric Tons (MT) per annum. The enhanced capacity is expected to improve operational efficiency, strengthen energy optimization, provide greater operational flexibility, and enable the Company to better serve the growing demand in both domestic and export markets. As the expanded facilities commenced operations towards the end of the financial year, the full operational and financial benefits are expected to be realized during the financial year 2026–27, subject to prevailing market and economic conditions.

The Company remains focused on enhancing operational efficiency, expanding its market presence, strengthening customer relationships, and pursuing sustainable growth while creating long-term value for all stakeholders.

E) INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company identifies a risk-based internal audit scope and assesses the inherent risk in the processes and activities of the departments within the company. This ensures that appropriate risk management limits, internal control mechanisms, and mitigation strategies are in place.

There is periodical review of the adequacy and effectiveness of internal financial controls, compliance with applicable laws, accounting procedures, and established policies. The observations and recommendations are reviewed by the Audit Committee, which monitors the implementation of corrective actions to strengthen the Company's control environment.

F) FINANCIAL PERFORMANCE & KEY FINANCIAL RATIOS

1. Share Capital Structure (Funds)

- Authorized Capital: 70,00,000 shares of Rs. 10 each = Rs. 7,00,00,000
- Issued, Subscribed, and Paid-up Capital: 13,07,260 shares of Rs. 10 each = Rs. 1,30,72,600
- There is no change in the Capital Structure during the financial year.

2. Other Equity Funds

- Revaluation Reserve: Rs. 48.56 lakhs (No change)
- **Retained Earnings (Balance Carried Forward):** Increased from **₹4,303.54 lakhs** as at 31 March 2025 to **₹4,542.49 lakhs** as at 31 March 2026, primarily on account of the Total Comprehensive Income of **₹238.95 lakhs** earned during the year, representing an increase of **5.55%** over the previous year and strengthening the Company's net worth.

3. Summary of Financial Performance (Rupees in Lakhs)

Particulars	Financial Year (2025-26)	Financial Year (2024-25)	% Increase / % Decrease (-)
Turnover (Revenue from Operations)	**17,933.91**	**18,027.07**	**-0.52%**
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense	**751.45**	**845.03**	**-11.07%**
Profit Before Tax (PBT)	**331.22**	**400.09**	**-17.21%**
Profit After Tax (PAT / Net Profit)	**236.74**	**282.58**	**-16.22%**
Total Comprehensive Income	**238.95**	**278.68**	**-14.26%**
Earnings Per Share (EPS) (in Rs.)	**18.11**	**21.62**	**-16.23%**

4.Details of Significant Changes in Key Financial Ratios

It may be noted that none of the key financial ratios recorded a variation of 25% or more over the previous financial year requiring additional explanation under Schedule V of the SEBI (LODR) Regulations, 2015.

Sr. No.	Key Financial Ratio	Unit	FY 2025-26	FY 2024-25	Variance %	Remarks / Reason for Change (<25%)
1	**Debtor Turnover**	**Days**	**7.05**	**6.96**	**1.29%**	**Maintained within regular operational limits.**
2	**Inventory Turnover**	**Days**	**7.91**	**7.87**	**0.51%**	**Consistent with manufacturing cycles.**
3	**Debt Service Coverage Ratio**	**Times**	**2.00**	**1.98**	**1.01%**	**Liquidity position remained stable during the year.**
4	**Current Ratio**	**Times**	**1.50**	**1.60**	**-6.25%**	**Healthy liquidity position maintained.**
5	**Debt Equity Ratio**	**Times**	**0.69**	**0.63**	**9.52%**	**Increase due to addition of borrowings for capital expenditure.**

6	Operating Profit Margin	%	2.97%	3.28%	-9.45%	Margins were impacted by the increase in raw material costs and geo-political factors.
7	Net Profit Margin	%	1.32%	1.57%	-15.92%	Impacted by foreign exchange fluctuations and challenging macroeconomic conditions
8	Return on Net Worth (RONW)	%	5.11%	6.28%	-18.63%	Aligned with current year profitability variations.

G) HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

As on 31 March 2026, the Company had 213 permanent employees on its rolls. The Company continued to focus on employee welfare, occupational health and safety, skill development, and maintaining harmonious industrial relations throughout the year.

CAUTIONARY STATEMENT

Statements made in this Management Discussion and Analysis Report describing the Company's objectives, expectations, estimates, or projections may constitute forward-looking statements within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied due to various factors including changes in economic conditions, government policies, raw material prices, foreign exchange fluctuations, market demand, competitive conditions, and other factors beyond the Company's control. The Company undertakes no obligation to publicly update any forward-looking statements except as required under applicable laws.

For and on behalf of the Board of Directors

For Sangal Papers Limited

Date: 13/08/2026	**Amit Sangal**	**Himanshu Sangal**
Place: Mawana	**Whole Time Director/CFO**	**Managing Director**
	DIN- 00091486	**DIN - 00091324**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
SANGAL PAPERS LIMITED,
CIN: L21015UP1980PLC005138
Reg. Office: Vill. Bhainsa, 22km stone Meerut-Mawana Road, Mawana, Meerut, UP- 250401

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sangal Papers Limited having CIN: L21015UP1980PLC005138 and having registered office at "Vill. Bhainsa, 22km stone, Meerut-Mawana Road, Mawana, Meerut, UP" (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 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, 2026** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of Cessation
1.	HIMANSHU SANGAL	00091324	25/11/1980	
2.	AMIT SANGAL	00091486	27/09/1996	
3.	TANMAY SANGAL	01297057	30/11/2003	
4.	VINAYAK SANGAL	06833351	01/03/2014	
5.	SAPAN SODHI	10178992	27/05/2023	
6.	VARTIKA MALIK	00687839	27/05/2023	

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

for D. K. GUPTA & CO.
(Company Secretaries)

Place: Meerut
Date: 13th August 2026
ICSI UDIN: F005226H001097471 dated 13th August 2026

DINESH KUMAR GUPTA
(Proprietor)
C. P. No. 3599
M. No. F-5226
Peer Review Certificate no. **1993/2022**

Independent Auditor's Report
To the Members of SANGAL PAPERS LIMITED, MEERUT

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **SANGAL PAPERS LIMITED, MEERUT** ("the Company") which comprise the Balance sheet as at **31 March 2026**, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) rules, 2015, as amended, ("Ind As") and other accounting policies generally accepted in India, of the state of affairs of the Company as at **31 March 2026** and its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 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 (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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended **31 March 2026.** These matters were addressed in the context of our audit of the IND AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. During the year under consideration, we have no key audit matters to report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2025-26, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the 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 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 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, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act,2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement of Changes in Equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatements of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(1) 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 the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2026 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 Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, based on our audit we report that;

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under section 133 of the Act.

e. On the basis of written representations received from the directors as on March 31, 2026 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

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

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements as at 31 March, 2026. – Refer Note 35 to the Ind As financial statements;

(ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses as at 31 March, 2026;

(iii) There has been no amount 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 it's 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 or entities, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

(v) The company has not declared or paid dividend during the year covered by our audit.

(vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **RAJ VIYOM & CO.,**
Chartered Accountants,
Firm Regn. No. 002011C

CA Raj Kumar Sharma
Partner
Membership No.077650
UDIN: 26077650PSKAXY8688

Dated: 29.05.2026
Place: MUZAFFARNAGAR

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(The annexure referred to in our report to the members of **SANGAL PAPERS LIMITED, MEERUT** (‘the Company’) for the year ended 31 March 2026.

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

(b) The Company does not have any intangible asset.

(c) According to the information and explanations given to us, physical verification of property, plant & equipment have been carried out by the management. According to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable, having regard to the size of the company and nature of its assets.

(d) The Company has not revalued any of its Property, plant & equipment during the year.

(e) In our opinion and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company.

(f) In our opinion and according to the information and explanations given to us, no proceedings have been initiated or are pending against the company as at 31 March, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988(As amended in 2016) and rules made thereunder.

(ii)(a) The inventories (except for goods in transit) were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such physical verification. In our opinion and according the information and explanations given to us the coverage and procedure of such verification by the management is appropriate having regard to the size of the company and the nature of its operations. In respect of goods in transit, the goods have been received subsequent to the year-end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories by the management as compared with book of account.

(b) According to the information and explanations given to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the year, from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements filed by the company with such bank are in agreement with the audited books of account of the Company, the differences, if any are either not material or minor in nature.

(iii) The Company has not made any investments, provided any guarantee or given any security, or provided any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013, hence clause (iii) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the company has not made any investments or given any loans, or provided any guaranty or security as specified under Section 185 & 186 of the Companies Act, 2013, hence provision of the clause (iv) of the Order is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government for maintenance of cost records under section 148(1) of The Companies Act, 2013, and are of the opinion, that prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii)(a)According to the records of company and information and explanations given to us, the company is regular in depositing undisputed statutory dues including, provident fund employees' state insurance, income-tax, duty of customs, goods and service tax, cess and any other statutory dues with the appropriate authorities during the year. There is no undisputed amounts payable, as at 31.03.2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, duty of customs, goods and service tax which have not been deposited with the appropriate authorities on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

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

(b) According to the information and explanations given to us, the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instrument). The Company has taken term loan from bank and has been applied to the purpose for which they were raised.

(d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have, prima facie, not been used during the year for long term purposes by the company.

(e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.

(f) In our opinion and according to the information and explanations given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year hence reporting under clause (x) (a) is not applicable.

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

(xi)(a) According to information and explanations given to us, no fraud by the Company and no material fraud on the company by its officers or employees has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act 2013 has been filed by the auditors in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

(xii) In our opinion, the Company is not a Nidhi Company hence reporting under clause (xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 , where applicable and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

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

(b) We have considered, the internal audit reports of the Company issued till the date of the audit report, for the period under audit.

(xv) According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of Companies Act, 2013 are not applicable to the Company.

(xvi) According to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause(xvi) of the Order is not applicable to the Company.

(xvii) In our opinion and according to the information and explanations given to us, the company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) According to the information and explanations provided to us, there has no resignation of the statutory auditors of the Company during the year.

(xix) According to the information and explanations provided to us and On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanation given to us, the provision of section 135 are not applicable on the company hence, the provisions of clause (xx) of the Order is not applicable to the Company.

(xxi) In our opinion and according to the information and explanation given to us, the company is not required to prepare Consolidate financial statement hence, the provisions of clause (xxi) of the Order is not applicable to the Company.

For **RAJ VIYOM & CO.,**
Chartered Accountants,
Firm Regn. No. 002011C

CA Raj Kumar Sharma
Partner
Membership No.077650
UDIN: 26077650PSKAXY8688

Dated: 29.05.2026
Place: MUZAFFARNAGAR

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **SANGAL PAPERS LIMITED, MEERUT** ('the company') as of **31 March 2026** in conjunction with our audit of the Ind As financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements, to future periods are subject to the risk that the internal financial control with reference to 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, an adequate internal financial controls system and such internal financial controls with reference to financial statements, were operating effectively as at 31 March 2026, based on the criteria for internal financial control with reference to financial statements 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 **RAJ VIYOM & CO.,**
Chartered Accountants,
Firm Regn. No. 002011C

CA Raj Kumar Sharma
Partner
Membership No.077650
UDIN: 26077650PSKAXY8688

Dated: 29.05.2026
Place: MUZAFFARNAGAR

Sangal Papers Limited
Balance Sheet as at 31 March 2026
(Amounts in INR Lakhs, unless otherwise stated)

	Notes	As at 31 March 2026	As at 31 March 2025
I **Assets**			
1. **Non-current assets**			
(a) Property, plant and equipment	3	4,900.12	3,950.09
(b) **Financial assets**			
(i) Other financial assets	4	15.05	15.05
(c) Other non-current assets	5	20.03	-
Total non-current assets		**4,935.20**	**3,965.14**
2. **Current assets**			
(a) Inventories	6	2,243.41	2,293.22
(b) **Financial assets**			
(i) Trade receivables	7	2,394.71	2,693.89
(ii) Cash and cash equivalents	8	198.15	83.48
(iii) Bank balances other than cash and cash equivalents	9	12.83	11.28
(c) Other current assets	10	121.62	202.39
Total current assets		**4,970.72**	**5,284.26**
Total assets		**9,905.92**	**9,249.40**
II **Equity and liabilities**			
1. **Equity**			
(a) Equity share capital	11	130.73	130.73
(b) Other equity	12	4,542.49	4,303.54
Total equity		**4,673.22**	**4,434.27**
2. **Non-current liabilities**			
(a) Financial liabilities			
Borrowings	13	1,299.83	936.07
(b) Provisions	14	88.78	87.20
(c) Deferred tax liabilities (net)	15	522.70	483.99
Total non-current liabilities		**1,911.31**	**1,507.26**
3. **Current liabilities**			
(a) **Financial liabilities**			
(i) Borrowings	16	1,840.36	1,748.49
(ii) Trade payables	17		
Total outstanding dues of micro enterprises and small enterprises		26.85	47.75
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,068.33	1,193.62
(iii) Other current financial liabilities	18	140.95	131.24
(b) Other current liabilities	19	166.73	118.94
(c) Provisions	20	62.16	62.13
(d) Current tax liability (net)	21	16.01	5.70
Total current liabilities		**3,321.39**	**3,307.87**
Total liabilities		**5,232.70**	**4,815.13**
Total equity and liabilities		**9,905.92**	**9,249.40**

Material accounting policies 1-2
The accompanying notes are an integral part of the financial statements

As per our report of even date
For RAJ VIYOM & CO.,
ICAI Firm Registration No.: 002011C
Chartered Accountants

CA Raj Kumar Sharma
Partner
Membership No.: 077650

Place: Muzaffarnagar
Date: 29.05.2026
UDIN: 26077650PSKAXY8688

For and on behalf of the Board of Directors

Managing Director
(Himanshu Sangal)
DIN- 00091324

Director
(Tanmay Sangal)
DIN- 01297057

Executive Director & Chief Financial Officer
(Amit Sangal)
DIN: 00091486

Company Secretary
(Anant Vats)
PAN : ADXPV9886B

Sangal Papers Limited

Statement of Profit and Loss for the year ended 31 March 2026

(Amounts in INR Lakhs, unless otherwise stated)

		Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
I	**Income:**			
	Revenue from operations	22	17,933.91	18,027.07
	Other income	23	84.99	63.67
	Total income		**18,018.90**	**18,090.74**
II	**Expenses:**			
	Cost of material consumed	24	15,562.20	15,466.26
	Purchase of stock in trade	25	2.41	9.40
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	70.17	103.29
	Employee benefit expenses	27	826.61	874.42
	Finance costs	28	219.36	253.07
	Depreciation	3	200.87	191.87
	Other expenses	29	806.06	792.34
	Total expenses		**17,687.68**	**17,690.65**
III	**Profit before exceptional items and tax**		**331.22**	**400.09**
IV	Exceptional items		-	-
V	Profit before tax		331.22	400.09
VI	**Tax expense**			
	Current tax		56.55	67.88
	Less: MAT credit entitlement		(36.58)	3.97
	Deferred tax		74.51	45.66
VII	**Profit for the period**		**236.74**	**282.58**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Re-measurement gains/(losses) on defined benefit plan		2.98	(5.27)
	Income tax effect		(0.77)	1.37
	Other comprehensive income		**2.21**	**(3.90)**
IX	**Total comprehensive income**		**238.95**	**278.68**
X	**Earnings per equity share of face value of ` 10 each :**			
	Basic (in `)		18.11	21.62
	Diluted (in `)		18.11	21.62
	Material accounting policies	1-2		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For RAJ VIYOM & CO.,
ICAI Firm Registration No.: 002011C
Chartered Accountants

CA Raj Kumar Sharma
Partner
Membership No.: 077650

Place: Muzaffarnagar
Date: 29.05.2026
UDIN: 26077650PSKAXY8688

For and on behalf of the Board of Directors

Managing Director
(Himanshu Sangal)
DIN- 00091324

Director
(Tanmay Sangal)
DIN- 01297057

Executive Director & Chief Financial Officer
(Amit Sangal)
DIN: 00091486

Company Secretary
(Anant Vats)
PAN : ADXPV9886B

Sangal Papers Limited

Statement of Cash Flows for the year ended 31 March 2025

(Amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before tax	331.22	400.09
Adjustments for:		
Depreciation	200.87	191.87
Interest expenses	219.36	253.07
Loss on sale of property, plant & equipment	43.46	28.02
Interest income	(1.02)	(1.70)
Operating profit before working capital changes	**793.89**	**871.35**
Movement in working capital		
(Increase)/decrease in trade receivables	299.18	(205.93)
(Increase)/decrease in bank balances other than cash and cash equivalents	(1.55)	(0.66)
(Increase)/decrease in inventories	49.81	(7.47)
(Increase)/decrease in other current assets	-	-
(Increase)/decrease in other non-current assets	(56.61)	133.64
(Increase)/decrease in other current tax assets	80.77	(62.47)
Increase/(decrease) in trade payables	(146.18)	(131.55)
Increase/(decrease) in other current financial liabilities	9.71	(5.32)
Increase/(decrease) in other current liabilities	47.79	43.92
Increase/(decrease) in current tax liability	10.31	2.95
Increase/(decrease) in long term provisions	1.58	8.98
Increase/(decrease) in short term provisions	3.01	0.98
Cash generated from/(used in) operations	**1,091.71**	**648.42**
Direct taxes paid (net of refunds)	(19.97)	(71.85)
Net cash generated from/(used in) operating activities	**1,071.74**	**576.57**
Cash flow from investing activities		
Purchase of property, plant & equipment including capital work in progress	(1,215.76)	(444.69)
Proceeds from disposal of assets	21.40	36.64
Interest received	1.02	1.70
Net cash (used in)/generated from investing activities	**(1,193.34)**	**(406.35)**
Cash flow from financing activities		
Proceeds/(Repayment) from long-term borrowings	363.76	(82.91)
Proceeds from short-term borrowings	91.87	117.86
Interest paid	(219.36)	(253.07)
Net cash (used in)/generated from financing activities	**236.27**	**(218.12)**
Net (decrease) / increase in cash and cash equivalents	**114.67**	**(47.90)**
Cash and cash equivalents at the beginning of the year	**83.48**	**131.38**
Cash and cash equivalents at the end of the year	**198.15**	**83.48**

Components of cash and cash equivalents

Cash and cheques on hand	**4.24**	**3.07**
Balances with banks:		
- On current accounts	193.91	80.41
(refer note 8)	**198.15**	**83.48**

Note:

The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

As per our report of even date

For RAJ VIYOM & CO.,

ICAI Firm Registration No.: 002011C

Chartered Accountants

CA Raj Kumar Sharma

Partner

Membership No.: 077650

Place: Muzaffarnagar

Date: 29.05.2026

UDIN: 26077650PSKAXY8688

For and on behalf of the Board of Directors

Managing Director

(Himanshu Sangal)

DIN- 00091324

Director

(Tanmay Sangal)

DIN- 01297057

Executive Director & Chief Financial Officer

(Amit Sangal)

DIN: 00091486

Company Secretary

(Anant Vats)

PAN : ADXPV9886B

Sangal Papers Limited
Statement of changes in equity for the year ended 31 March 2025
(Amounts in INR Lakhs, unless otherwise stated)

A Equity share capital (Refer Note 11)

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
130.73	-	130.73	-	130.73

(2) Previous reporting period

Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the current reporting period
130.73	-	130.73	-	130.73

B Other equity (Refer Note 12)

Particulars	**Reserve & surplus**				**Total other equity**	
	Revaluation reserve		**Retained earnings**			
	As at 31 March 2026	**As at 31 March 2025**	**As at 31 March 2026**	**As at 31 March 2025**	**As at 31 March 2026**	**As at 31 March 2025**
	(refer note 12.1)		**(refer note 12.2)**			
Balance at the beginning of the reporting period	**48.56**	**48.56**	**4,254.98**	**3,976.30**	**4,303.54**	**4,024.86**
Profit/(loss) for the year	-	-	236.74	282.58	236.74	282.58
Other comprehensive income	-	-	2.21	(3.90)	2.21	(3.90)
Total Comprehensive Income	**-**	**-**	**238.95**	**278.68**	**238.95**	**278.68**
Balance at the end of the reporting period	**48.56**	**48.56**	**4,493.93**	**4,254.98**	**4,542.49**	**4,303.54**

Material accounting policies 1-2

The accompanying notes are an integral part of the financial statements

For and on behalf of the Board of Directors

As per our report of even date
For RAJ VIYOM & CO.,
ICAI Firm Registration No.: 002011C
Chartered Accountants

Managing Director
(Himanshu Sangal)
DIN- 00091324

Director
(Tanmay Sangal)
DIN- 01297057

CA Raj Kumar Sharma
Partner
Membership No.: 077650
Place: Muzaffarnagar
Date: 29.05.2026
UDIN: 26077650PSKAXY8688

Executive Director & Chief Financial Officer
(Amit Sangal)
DIN: 00091486

Company Secretary
(Anant Vats)
PAN : ADXPV9886B

1. **Material Accounting Policies**

Background

Sangal Papers Limited is a Company domiciled in India, incorporated on 22 November 1980 with its registered office situated at Village Bhainsa, 22 km Stone, Mawana Road Meerut U.P, the Company has been incorporated under Indian Companies Act and its equity shares are listed on the Bombay Stock Exchange (BSE). "The financial statements are approved for issuance by the Comapny's board of directors on May 29, 2026"

This note provides a list of the material accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and as amended from time to time and other relevant provisions of the Act.

(ii) Historical Cost Convention

The financial statement have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities are measured at fair value; and
- defined benefit plans and their liabilites are measured at fair value.

(b) Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as at the date of the financial statements and the reported amount of revenues and expenses during the reporting year. The difference between the actual results and estimates are recognised in the year in which the results are known/materialize.

All Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(c) Segment Reporting

The Company is engaged in the business of Paper Manufacturing considering the nature of company's business and operations, there are no other reportable segments in accordance with Ind AS 108 Operating segments and hence, there are no additional disclosures required.

(d) Foreign Currency Transactions and Translations

Transactions in foreign currencies are initially recorded by the company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit and loss, respectively).

(e) Financial instruments - Initial recognition, subsequent measurement and impairment

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

Financial Assets

Financial assets are measured at amortised cost or fair value through other comprehensive income or fair value through profit or loss depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively that share similar credit risk characteristics.

Derecognition of financial assets

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the group has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial Liabilities

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss. Financial liabilities at fair value through profit or loss are at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ('EIR') except for those designated in an effective hedging relationship. The carrying value of borrowings that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in fair values attributable to the risks that are hedged in effective hedging relationship.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the year of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting year.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Subsequent recoveries of amounts previously written off are credited to other income.

(f) Trade and other payables

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

(g) Cash Flow statements

Cash flows are reported using the Indirect Method, where by profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregate based on the available information.

(h) Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(i) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as security premium.

(j) Revenue recognition

Sale of goods

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e. when the goods have been dispatched to the location of customer. Following dispatch, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are dispatched to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.The Company considers the effects of variable consideration, non-cash consideration, and consideration payable to the customer (if any).

Interest income

Interest income from financial instrument is recognised using the effective interest rate (EIR) method.

Variable consideration

If the consideration in a contract includes a variable amount, estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company recognizes changes in the estimated amount of variable consideration in the period in which the change occurs. Some contracts for the sale of goods provide customers with volume rebates and pricing incentives, which give rise to variable consideration.

Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Contract balances

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables of the Company, are recognised initially at the transaction price as they do not contain significant financing components. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

Contract liabilities (which the Company refer to as advance from customer)

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the company performs under the contract.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

Cost to obtain a contract

The company pays sales commission to its selling agents for each contract that they obtain for the company. The company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in 'commission on sales' under other expenses) because the amortization period of the asset that the company otherwise would have used is one year or less.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(k) Provisions, contingent liabilites and assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

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

Contingent assets are disclosed where an inflow of an economic benefit is probable.

(l) Earning Per Share

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

(m) Taxation

Provision for tax consists of current tax and deferred tax. Current tax provision is computed for current income based on the tax liability after considering allowances and exemptions. Deferred tax assets and liabilities are computed on the basis of timing differences at the Balance Sheet date between the carrying amount of assets and liabilities and their respective tax basis. Deferred tax assets are recognized based on management estimates of available future taxable income and assessing its certainty.

(i) Current Income Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period.

Ind AS 12, "Income Taxes" requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12, has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP, if applicable.

In addition, the various transitional adjustments lead to additional temporary differences. According to the accounting policies, the Company has to account for such differences. Tax impact on Deferred tax adjustments are recognized in reserves for opening balance sheet and statement of profit and loss in subsequent years.

(iii) GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets of services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the assets or as part of the expenses item, as applicable

- When receivables and payables are stated with the amount of tax included the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(n) Trade Receivables

Trade Receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(o) Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average / first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(p) Property, plant and equipment

Freehold land is carried at revalued cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The above cost of the assets includes the revaluation of assets carried out in the previous years' and the accumulated amount of revaluation forms part of the Other Equity in Shareholders' Funds with name of "Revaluation Reserve"

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

The useful lives have been determined as per those specified by Schedule II to the Companies Act; 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

(q) Borrowings

Borrowings are initially recognised at net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are de-recogized in the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(r) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

(s) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post-employment obligations

The group operates the following post-employment schemes:

(a) defined benefit plan viz. gratuity; and

(b) defined contribution plans such as provident fund.

(a) Defined benefit plan

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(b) Defined contribution plans

The group pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Based on management's assessment and actuarial valuation, there is no material incremental impact on gratuity liability arising from the implementation of the New Labour Codes.

(iii) Leave encashment

Entitlement of annual leave is recognised when they accrue to employees. Anuual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leaves.

(iv) The Government of India has codified 29 existing labour legislations into a unified framework comprising four labour Codes, viz Code on Wages 2019, Codes on Social Security 2020, Industrial Relations Code 2020, and Occupational Safety, Health and Working conditions Code 2020 (Collectively referred to as the New Labour Codes'.) These Codes have been made effective from November 21, 2025.

(t) Exceptional items

When items of income and expense within statement of profit and loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

(u) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The company makes estimates and judgments that affect the reporting amounts of assets and liabilities within the next year. Estimates and judgments are continually evaluated and are based on historical experience and other factor, including expectations of future events that are believed to be reasonable under the circumstance.

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Recent accounting developments

The below amendments to the existing standard which are notified by Ministry of Corporate affairs but are not yet effective:

Amendment to Ind AS 1 'Presentation of Financial Statements

Classification of Liabilities as current or non-current and non-current liabilities with covenants. The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Company has reviewed the new pronouncements and based on its evaluation has determined that these amendments do not have a significant impact on the Company's Financial Statements.

Sangal Papers Limited
(Amounts in INR Lakhs, unless otherwise stated)

3 Property, plant & equipment

	Land & Site development	Building	Building others	Plant & machinery	Co-generation system	Office furniture & equipment	Computer	Vehicles	Total
Gross carrying value as of March 31, 2025	**237.14**	**641.09**	**33.48**	**4,603.08**	**1,376.18**	**47.75**	**12.76**	**411.64**	**7,363.12**
Additions during the year	-	-	-	267.28	800.37	3.69	1.20	143.22	**1,215.76**
Deletions during the year	-	-	-	-	-	-	-	79.23	**79.23**
Gross carrying value as of March 31, 2026	**237.14**	**641.09**	**33.48**	**4,870.36**	**2,176.55**	**51.44**	**13.96**	**475.63**	**8,499.65**
Accumulated Depreciation as of March 31, 2025	**-**	**346.04**	**5.63**	**2,326.42**	**573.92**	**31.10**	**9.19**	**120.73**	**3,413.03**
Depreciation	-	11.74	0.26	118.12	27.12	3.73	1.51	38.39	**200.87**
Accumulated Depreciation on deletions	-	-	-	-	-	-	-	14.37	**14.37**
Accumulated Depreciation as of March 31, 2026	**-**	**357.78**	**5.89**	**2,444.54**	**601.04**	**34.83**	**10.70**	**144.75**	**3,599.53**
Carrying value as of March 31, 2026	**237.14**	**283.31**	**27.59**	**2,425.82**	**1,575.51**	**16.61**	**3.26**	**330.88**	**4,900.12**
Carrying value as of March 31, 2025	**237.14**	**295.05**	**27.85**	**2,276.66**	**802.26**	**16.65**	**3.57**	**290.91**	**3,950.09**

	Land & Site development	Building	Building others	Plant & machinery	Co-generation system	Office furniture & equipment	Computer	Vehicles	Total
Gross carrying value as of March 31, 2024	**237.14**	**641.09**	**33.48**	**4,115.06**	**1,376.18**	**37.54**	**10.95**	**291.31**	**6,742.75**
Additions during the year	-	-	-	517.02	-	10.21	1.81	180.14	**709.18**
Deletions during the year	-	-	-	29.00	-	-	-	59.81	**88.81**
Gross carrying value as of March 31, 2025	**237.14**	**641.09**	**33.48**	**4,603.08**	**1,376.18**	**47.75**	**12.76**	**411.64**	**7,363.12**
Accumulated Depreciation as of March 31, 2024	**-**	**331.64**	**5.37**	**2,218.32**	**546.80**	**28.31**	**7.95**	**106.93**	**3,245.32**
Depreciation	-	14.40	0.26	112.14	27.12	2.79	1.24	33.92	**191.87**
Accumulated Depreciation on deletions	-	-	-	4.04	-	-	-	20.12	**24.16**
Accumulated Depreciation as of March 31, 2025	**-**	**346.04**	**5.63**	**2,326.42**	**573.92**	**31.10**	**9.19**	**120.73**	**3,413.03**
Carrying value as of March 31, 2025	**237.14**	**295.05**	**27.85**	**2,276.66**	**802.26**	**16.65**	**3.57**	**290.91**	**3,950.09**
Carrying value as of March 31, 2024	**237.14**	**309.45**	**28.11**	**1,896.74**	**829.38**	**9.23**	**3.00**	**184.38**	**3,497.43**

Sangal Papers Limited
(Amounts in INR Lakhs, unless otherwise stated)

		As at 31 March 2026	As at 31 March 2025
4	**Other Finanical assets**		
	Unsecured, considered good		
	Security deposit	15.05	15.05
	Total	**15.05**	**15.05**

		As at 31 March 2026	As at 31 March 2025
5	**Other non current assets**		
	(Unsecured, considered good unless otherwise stated)		
	Capital advance	20.03	-
	Total	**20.03**	**-**

		As at 31 March 2026	As at 31 March 2025
6	**Inventories**		
	Raw material	969.29	978.48
	Raw material in transit	5.69	18.58
	Work-in-progress	23.53	22.51
	Semi finished	101.55	151.28
	Finished goods	320.75	336.32
	Traded goods	-	5.89
	Stores and spares	509.07	471.42
	Stores and spares in transit	2.34	7.62
	Power & fuel	31.26	14.13
	Chemical	213.89	216.65
	Chemical in transit	2.35	-
	Packing material	53.22	70.34
	Packing material in transit	10.47	-
		2,243.41	**2,293.22**

7 Trade receivables

	As at 31 March 2026	As at 31 March 2025
Unsecured		
(i) Undisputed - considered good	2,165.78	2,457.93
(ii) Undisputed - which have significant increase in credit risk	167.95	169.89
(iii) Undisputed - credit impaired	-	-
(iv) Disputed - considered good	-	-
(v) Disputed - which have significant increase in credit risk	60.98	66.07
(vi) Disputed - credit impaired	-	-
Total	**2,394.71**	**2,693.89**

Note: 7A

Particulars	Outstanding for following periods from due date of payment						31.03.2026
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed - considered good	-	1,859.43	84.98	94.50	27.77	99.10	**2,165.78**
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	167.95	**167.95**
(iii) Undisputed - credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed - considered good	-	-	-	-	-	-	**-**
(v) Disputed - which have significant increase in credit risk	-	-	-	-	-	60.98	**60.98**
(vi) Disputed - credit impaired	-	-	-	-	-	-	**-**
Total	**-**	**1,859.43**	**84.98**	**94.50**	**27.77**	**328.03**	**2,394.71**

Note: 7B

Particulars	Outstanding for following periods from due date of payment						31.03.2025
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed - considered good	-	2,067.31	233.21	44.10	108.39	4.92	2,457.93
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	169.89	169.89
(iii) Undisputed - credit impaired	-	-	-	-	-	-	-
(iv) Disputed - considered good	-	-	-	-	-	-	-
(v) Disputed - which have significant increase in credit risk	-	-	-	-	-	66.07	66.07
(vi) Disputed - credit impaired	-	-	-	-	-	-	-
Total	**-**	**2,067.31**	**233.21**	**44.10**	**108.39**	**240.88**	**2,693.89**

8 Cash and cash equivalents

	As at 31 March 2026	As at 31 March 2025
Cash on hand	4.24	3.07
Balance with bank	193.91	80.41
	198.15	**83.48**

9 Bank balances other than cash and cash equivalents

	As at 31 March 2026	As at 31 March 2025
Other bank balances		
Margin money deposited*	12.83	11.28
	12.83	**11.28**

* Margin money held with banks for F.Y. 2025-26 is `12.83 lakhs and for F.Y. 2024-25 is `11.28 lakhs against U.P. Pollution Control Board.

10 Other current assets

	As at 31 March 2026	As at 31 March 2025
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	17.72	36.40
Advances to suppliers	35.50	120.03
Balances with government authorities	16.73	12.34
Others	51.67	33.62
Total	**121.62**	**202.39**

(Amounts in INR Lakhs, unless otherwise stated)

11 Share capital

Authorised share capital	Number of shares	Amount
Equity shares of INR 10 each		
As at 31 March 2025	7,000,000	700.00
Increase during the year	-	-
As at 31 March 2026	**7,000,000**	**700.00**

11 A Issued share capital

Equity shares of INR 10 each issued, subscribed and fully paid up	Number of shares	Amount
As at 31 March 2025	1,307,260	130.73
Shares issued during the year	-	-
As at 31 March 2026	**1,307,260**	**130.73**

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company will declare and pay dividends in Indian rupees.
No shares have been issued by the Company for consideration other than cash, during the period of five years immediately preceding the reporting date.

11 B Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March 2026		As at 31 March 2025	
	Number	% Holding	Number	% Holding
Equity shares of INR 10 each				
Shri Himanshu Sangal	107,940	8.26%	107,940	8.26%
Shri Amit Sangal	121,100	9.26%	121,100	9.26%
Smt. Charu Sangal	93,500	7.15%	93,500	7.15%
Smt. Renu Sangal	112,540	8.61%	112,540	8.61%

As per records of the Company, including its register of shareholders/members the above shareholding represents both legal and beneficial ownerships of shares.

11 C Details of shareholding of Promoters

Name of the shareholder	As at 31 March 2026		As at 31 March 2025		% Change during the year
	Number	% Holding	Number	% Holding	
Equity shares of INR 10 each					
Shri Himanshu Sangal	107,940	8.26%	107,940	8.26%	-
Shri Amit Sangal	121,100	9.26%	121,100	9.26%	-
Shri Tanmay Sangal	45,731	3.50%	45,731	3.50%	-
Shri Vinayak Sangal	14,487	1.11%	14,487	1.11%	-

12 Other equity

12.1 Revaluation reserve			
As at 31 March 2025		**48.56**	**48.56**
Addition/Reduction during the year		-	-
As at 31 March 2026	**(a)**	**48.56**	**48.56**
12.2 Retained earnings			
Statement of profit & loss			
As at 31 March 2025		**4,254.98**	**3,976.30**
Profit for the year		238.95	278.68
As at 31 March 2026	**(b)**	**4,493.93**	**4,254.98**
Total	**(a+b)**	**4,542.49**	**4,303.54**

13 Borrowings

		As at 31 March 2026	As at 31 March 2025
Secured			
Term loans from banks		676.37	390.78
Vehicle loans from NBFC		116.25	53.46
	(a)	**792.62**	**444.24**
Unsecured			
From directors		61.93	70.60
From director's relative		80.66	75.44
From bodies corporate		364.62	345.79
	(b)	**507.21**	**491.83**
Total	**(a+b)**	**1,299.83**	**936.07**

Notes:
Details of terms of repayment and security provided in respect of the secured non-current borrowings:

Term loan from Axis Bank Limited is secured by way of :-
Security:
1. Equitable mortgage of land & building of the company.
2. Hypothecation of entire current assets and entire movable fixed assets of the company both present and future.
3. Personal guarantee by Directors of the Company.
4. Pledge of 1,00,000 equity shares each of Shri Himanshu Sangal and Shri Amit Sangal, director of the company.

Other information;
From Axis Bank Limited (for term loan of Rs. 290 Lakhs)
At the rate of Repo rate + 2.65% p.a. i.e. 8.15% p.a. (previous year Repo rate + 2.65% p.a. i.e. 9.10% p.a.) Repayable in 58 Monthly installments of Rs.5.00 Lakh each starting from letter issued by the bank to the borrower immediately upon first disbursement.
From Axis Bank Limited (for term loan of Rs. 192 Lakhs)
At the rate of Repo rate + 2.65% p.a. i.e. 8.15% p.a. (Previous year Repo rate + 2.65% p.a. i.e. 9.10% p.a.) Repayable in 60 Monthly installments of Rs.3.20 Lakhs each starting from 6 months above from letter issued by the bank to the borrower immediately upon first disbursement including moratorium of 6 months.
From Axis Bank Limited (for term loan of Rs. 150 Lakhs)
At the rate of Repo rate + 2.65% p.a. i.e. 8.15% p.a. (Previous year Repo rate + 2.65% p.a. i.e. 9.10% p.a.) Repayable in 35 Monthly installments of Rs.4.16 Lakhs each and last installment of Rs. 4.40 Lakhs starting from letter issued by the bank to the borrower immediately upon first disbursement including moratorium of 15 months.
From Axis Bank Limited (for term loan of Rs. 300 Lakhs)
At the rate of Repo rate + 2.65% p.a. i.e. 8.15% p.a. (Previous year Repo rate + 2.65% p.a. i.e 9.10% p.a.) Repayable in 63 Monthly installments of Rs.5.00 Lakhs each starting from letter issued by the bank to the borrower immediately upon first disbursement including moratorium of 3 months.
From Axis Bank Limited (for term loan of Rs. 600 Lakhs)
At the rate of Repo rate + 2.65% p.a. i.e. 8.15% p.a. (Previous year Nil) Repayable in 69 Monthly installments of Rs.10.00 Lakhs each starting from letter issued by the bank to the borrower immediately upon first disbursement including moratorium of 9 months.

Vehicle Loan

Security:

Vehicle Loan is secured by hypothecation of respective vehicles and guaranteed by Directors of the Company.

From Mercedes Benz Financial Services India Private Limited (Original loan Amount 80 lakhs)

At the Present effective rate is 8.95 % p.a. Repayable in 60 monthly EMI of Rs. 1.66 Lakhs each starting from 11.04.2024.

From Punjab National Bank (Original loan Amount 50 lakhs)

At the Present effective rate is 8.80 % p.a. Repayable in 36 monthly EMI of Rs. 1.58 Lakhs each starting from 31.12.2024.

From Mercedes Benz Financial Services India Private Limited (Original loan Amount 100 lakhs)

At the Present effective rate is 7.93 % p.a. Repayable in 60 monthly EMI of Rs. 2.02 Lakhs each starting from 12.01.2026.

14 Provisions

	As at 31 March 2026	As at 31 March 2025
Provision for gratuity (Refer Note 31)	88.78	87.20
Total	**88.78**	**87.20**

(Amounts in INR Lakhs, unless otherwise stated)

15 Deferred Tax Liabilities (net)

		As at 31 March 2026	As at 31 March 2025
Deferred Tax Liabilities			
Property, plant & equipment: Impact of differences between tax depreciation charged as per Financial Reporting	(a)	667.82	603.39
Deferred Tax Assets			
Impact of gratuity expenditure charged to the statement of profit & loss in current year but allowed for tax purposes on payment basis	(b)	43.62	54.48
MAT Credit Entitlement			
MAT credit entitlement	(c)	101.50	64.92
Total	**(a-b-c)**	**522.70**	**483.99**

Income Tax

The major components of income tax expense for the years ended March 31, 2026 and March 31, 2025 are:

Statement of profit and loss:

Profit or loss section

	As at 31 March 2026	As at 31 March 2025
Current income tax:		
Current income tax charge	56.55	67.88
Mat credit entitlement	-36.58	3.97
Deferred tax:		
Relating to origination and reversal of temporary differences	74.51	45.66
Income tax expense reported in the statement of profit or loss	**94.48**	**117.51**

OCI section

Deferred tax related to items recognised in OCI during in the year:

	As at 31 March 2026	As at 31 March 2025
Net loss/(gain) on remeasurements of defined benefit plans	(0.77)	1.37
Income tax charged to OCI	**(0.77)**	**1.37**

	As at 31 March 2026	As at 31 March 2025
Accounting profit before tax	331.22	400.09
Non deductiable income for tax purposes:		
Add: Loss on sale of property, plant & equipment	43.46	28.02
Taxable Profit	374.68	428.11
At India's statutory income tax rate of 27.82% (previous year statutory income tax of 27.82%)	104.24	119.10
Income tax expenses	(8.56)	1.10
Deferred tax expenses reported in the statement of profit and loss*	74.51	45.66

Non deductible expenses for tax purposes:		
Depreciation expense (net)	(76.51)	(57.12)
Bonus	-	0.05
Gratuity	0.83	2.67
Other non deductible expenses	(0.03)	6.05
	94.48	**117.51**
Income tax expense reported in the statement of profit and loss	56.55	67.88
MAT credit entitlement	(36.58)	3.97
Deferred tax expenses reported in the statement of profit and loss	74.51	45.66
	94.48	**117.51**

16 Borrowings

	As at 31 March 2026	As at 31 March 2025
Secured		
Working capital loan from bank*	1,500.00	1,496.61
Current maturities of long term debt	340.36	251.88
Total	**1,840.36**	**1,748.49**

***Working Capital Loan from Axis Bank Limited is secured by way of :-**

Security:

1. Equitable mortgage of land & building of the company.
2. Hypothecation of entire current assets and entire movable fixed assets of the company both present and future.
3. Personal guarantee by Directors of the Company.
4. Pledge of 1,00,000 equity shares each of Shri Himanshu Sangal and Shri Amit Sangal, director of the company.

17 Trade payables

	As at 31 March 2026	As at 31 March 2025
Trade payable		
(i) MSME	26.85	47.75
(ii) Others	1,068.33	1,193.62
(iii) Disputed dues-MSME	-	-
(iv) Disputed dues-Others	-	-
Total	**1,095.18**	**1,241.37**

Note : 17A

Particulars	**Outstanding for following periods from due date of the payment**					**31.03.2026**
	Not due	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	26.85	-	-	-	**26.85**
(ii) Others	-	1,065.20	3.13	-	-	**1,068.33**
(iii) Disputed dues-MSME	-	-	-	-	-	**-**
(iv) Disputed dues-Others	-	-	-	-	-	**-**
Total	**-**	**1,092.05**	**3.13**	**-**	**-**	**1,095.18**

Note : 17B

Particulars	**Outstanding for following periods from due date of the payment**					**31.03.2025**
	Not due	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) MSME	-	47.75	-	-	-	**47.75**
(ii) Others	-	1,129.90	54.40	9.32	-	**1,193.62**
(iii) Disputed dues-MSME	-	-	-	-	-	**-**
(iv) Disputed dues-Others	-	-	-	-	-	**-**
Total	**-**	**1,177.65**	**54.40**	**9.32**	**-**	**1,241.37**

18 Other current financial liabilities

	As at 31 March 2026	As at 31 March 2025
Interest accrued but not due on borrowings	-	9.39
Salaries & wages payable	97.71	86.06
Cheques payable	19.50	1.46
Other payable	23.74	34.33
Total	**140.95**	**131.24**

19 Other current liabilities

	As at 31 March 2026	As at 31 March 2025
Advance from customers	25.04	8.63
Statutory dues	141.69	110.31
Total	**166.73**	**118.94**

20 Provisions

	As at 31 March 2026	As at 31 March 2025
Provision for gratuity (Refer Note 31)	62.16	62.13
Total	**62.16**	**62.13**

21 Current tax liability (net)

	As at 31 March 2026	As at 31 March 2025
Income tax	16.01	5.70
Total	**16.01**	**5.70**

(Amounts in INR Lakhs, unless otherwise stated)

22 Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of products	17,870.30	17,959.14
Other operating revenue		
Sale of scrap	63.61	67.93
Total	**17,933.91**	**18,027.07**

A. Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(i) Based on Type of products sold	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of manufactured products	17,870.30	17,959.14
Sale of scrap	63.61	67.93
Total	**17,933.91**	**18,027.07**

(ii) Based on Geography	For the year ended 31 March 2026	For the year ended 31 March 2025
Domestic	15,835.93	16,419.48
Export	2,097.98	1,607.59
Total	**17,933.91**	**18,027.07**

B. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables (Refer Note 7)	2,394.71	2,693.89
Contract liabilities		
Advances from customers (Refer Note 19)	25.04	8.63

C. Reconciliation of revenue recognised with contract price:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue as per contracted price	17,933.91	18,027.07
Total	17,933.91	18,027.07

D. The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at

Particulars	As at 31 March 2026	As at 31 March 2025
Advances from customers (Refer Note 19)	25.04	8.63

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

23 Other income	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest received	1.02	1.70
Export incentive,Duty draw back and Rodtep	51.77	37.31
Unclaimed balance written back	-	1.42
Net gain of foreign exchange transactions	32.20	23.24
Total	**84.99**	**63.67**

24 Cost of raw material and components consumed	For the year ended 31 March 2026	For the year ended 31 March 2025
Cost of raw materials (Waste Paper)	10,147.10	9,859.96
Other components consumed		
Chemicals	1,634.53	1,832.34
Packing material	237.11	202.48
Stores & spares	564.56	652.52
Power & fuel	2,881.65	2,797.21
Repairs - plant & machinery	97.25	121.75
Total	**15,562.20**	**15,466.26**

25 Purchase of stock in trade	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchase of stock in trade	2.41	9.40
Total	**2.41**	**9.40**

26 Changes in inventories of finished goods, work-in-progress and stock in trade	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening stock		
Work-in -progress	22.51	22.56
Semi finished goods	151.28	220.16
Finished goods	336.32	376.57
Stock in trade	5.89	-
Total (a)	**516.00**	**619.29**
Closing stock		
Work-in -progress	23.53	22.51
Semi finished goods	101.55	151.28
Finished goods	320.75	336.32
Stock in trade	-	5.89
Total (b)	**445.83**	**516.00**
Total (a) - (b)	**70.17**	**103.29**

27 Employee benefit expenses	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages and incentives	593.75	642.96
Director salary	168.00	168.00
Contribution to provident and other funds	37.93	38.66
Gratuity expenses	18.15	18.41
Staff welfare expenses	8.78	6.39
Total	**826.61**	**874.42**

28 Finance costs	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expense on:		
- term loans	65.43	70.87
- bank borrowings	121.42	141.86
- unsecured borrowings	40.42	39.14
- government dues	0.19	0.01
- processing fees	2.89	3.33
Total	**230.35**	**255.21**
Less: Amount included in capital work in progress	10.99	2.14
Total	**219.36**	**253.07**

29 Other expenses	For the year ended 31 March 2026	For the year ended 31 March 2025
Printing & stationery	5.65	7.89
Communication expenses	7.34	8.39
Traveling & conveyance	27.92	26.58
Insurance charges	55.23	45.80
Legal & professional charges	25.75	24.51
Bank charges	4.34	5.33
Rent	4.44	4.44
Rates & taxes	6.46	10.89
Repair to building	40.09	50.46
Payment to auditors	2.00	2.00
Vehicle running & maintenance	34.31	42.61
Loss on sale of property, plant & equipment	43.46	28.02
Charity & donation	0.15	0.27
Miscellaneous expenses	14.71	17.17
Advertisement	2.26	1.97
Bad debts	11.59	5.00
Business promotion expenses	32.88	1.97
Rebate & discount	1.28	5.49
Freight outward & loading charges	434.12	396.49
Commission on sales	52.08	107.06
Total	**806.06**	**792.34**

Detail of Payment to Auditors	For the year ended 31 March 2026	For the year ended 31 March 2025
As auditor:		
Audit fee	1.50	1.50
Tax audit fee	0.50	0.50
Total	**2.00**	**2.00**

30 Earnings per share (EPS)

The following reflects the profit and loss share data used for the basic and diluted EPS computations:	For the year ended 31 March 2026	For the year ended 31 March 2025
Net profit/(loss) for calculation of basic EPS	236.74	282.58
Weighted average number of equity shares for calculating basic EPS	1,307,260	1,307,260
Basic earnings/(loss) per share	**18.11**	**21.62**
Net profit/(loss) for calculation of diluted EPS	236.74	282.58
Weighted average number of equity shares for calculating diluted EPS	1,307,260	1,307,260
Diluted earnings/(loss) per share	**18.11**	**21.62**

	No. of shares	No. of shares
Weighted average number of equity shares in calculating basic EPS	1,307,260	1,307,260
Effect of dilution	-	-
Weighted average number of equity shares in calculating diluted EPS	1,307,260	1,307,260

(Amounts in INR Lakhs, unless otherwise stated)

31 Employee benefit obligations

a) Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

The Company has recognised the following amounts in the Statement of Profit and Loss for the year: (Refer Note- 27)

Particulars	**2025-26**	**2024-25**
Contribution to provident and other fund	37.93	38.66
Total	**37.93**	**38.66**

b) Defined benefit plan

Gratuity is payable to eligible employees as per the Company's policy and The Payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit (PUC) method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations.
Provision for leave benefits is made by the Company on the basis of actuarial valuation using the Projected Unit Credit (PUC) method.

Liability with respect to the gratuity is determined based on an actuarial valuation done by an independent actuary at the year end and is charged to Statement of Profit and Loss.
Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Other Comprehensive income as income or expense.
Other disclosures required under Indian Accounting Standards 19 "Employee benefits" are given below:

Statement of profit and Loss **Net employees benefit expense recognised in employee cost**	**For the year ended 31 March 2026**	**For the year ended 31 March 2025**
Current service cost	10.34	11.03
Interest cost on benefit obligation	7.81	7.38
Net benefit expense recognised in profit & loss	**18.15**	**18.41**

Balance sheet **Benefit asset/(liability)**	**As at 31 March 2026**	**As at 31 March 2025**
Present value of unfunded obligation	150.94	149.33
Fair value of plan assets	-	-
Net liability	**150.94**	**149.33**

Changes in the present value of the defined benefit obligation

	For the year ended 31 March 2026	**For the year ended 31 March 2025**
Opening defined benefit obligaion	149.33	134.10
Current service cost	10.34	11.03
Interest cost	7.81	7.38
Benefit paid	(13.56)	(8.45)
Actuarial (gains)/ losses on obligation	(2.98)	5.27
Closing defined benefit obligation	**150.94**	**149.33**

Closing defined benefit obligation

Since the entire amount of plan obligation is unfunded therefore changes in fair value of plan assets, categories of plan assets as a percentage of the fair value of total plan assets and Company's expected contribution to the plan assets for the next year as not given.

The principal assumptions used in determining gratuity obligation

	For the year ended 31 March 2026	For the year ended 31 March 2025
Discount rate	7.25%	6.60%
Salary escalation	2.50%	2.50%
Rate of employee turnover	0.00%	0.00%
Retirement age	58 Years	58 Years
Mortality table	100% of IALM (2012-14)	
Average withdrawal rate	Withdrawl Rate	Withdrawl Rate
a) Upto 30 Years	2.00%	2.00%
b) From 31 to 44 Years	2.00%	2.00%
c) Above 44 Years	2.00%	2.00%

The estimates of future salary considered in actuarial valuation take account of inflation, total amount of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards. The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benfit obligation is given in the table below.

Particulars	Change in assumptions	For the year ended 31 March 2026	For the year ended 31 March 2025
Defined benefit obligation based on current assumptions		150.94	149.33
Discount rate	+0.50%	3.84	4.00
	-0.50%	(4.11)	(4.30)
Salary escalation	+0.50%	(3.45)	(3.64)
	-0.50%	3.26	3.43
Employee Turnover	+0%	-	-
	-0%	-	-

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of resonable changes in key assumptions occurring at the end of the reporting period
The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.
Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.
There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Projected plan cash flows:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date

Maturity Profile	For the year ended 31 March 2026	For the year ended 31 March 2025
Within next 12 months	62.16	62.13
Between 2 and 5 years	42.20	41.25
Between 5 and 10 years	32.28	32.29
Beyond 10 years	-	-

Risk analysis

The Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management estimation of the impact of these risks are as follows

Inflation risk

Currently the Company has not funded the defined benefit plans. Therefore, the Company, will have to bear the entire increases in liabilty on account of inflation

Longevity risk/life expectancy

The present value of the defined benefit plan liability is calclulated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increases in the salary of the plan participant will increase the plan liability

32 Financial instruments-fair values and accounting classification

Set out below, are the fair values of the financial instruments of the Company, including their accounting classification;

	As at 31 March 2026		As at 31 March 2025	
Financial Assets	**Amortised Cost**	**FVTPL**	**Amortised Cost**	**FVTPL**
Trade receivables	2,394.71	-	2,693.89	-
Cash and cash equivalents	198.15	-	83.48	-
Bank balance other than cash and cash equivalents	12.83	-	11.28	-
Other financial assets				
Security deposits	15.05	-	15.05	-
Total	**2,620.74**	**-**	**2,803.70**	**-**
Financial Liabilities				
Borrowings-non current				
Term loans (Secured)	676.37	-	390.78	-
Vehicle loans from NBFC (Secured)	116.25	-	53.46	-
Loans from directors (Unsecured)	61.93	-	70.60	-
Loans from directors & their relative (Unsecured)	80.66	-	75.44	-
Loans from bodies corporate (Unsecured)	364.62	-	345.79	-
Borrowings-current				
Working capital loan from bank	1,500.00	-	1,496.61	-
Current maturities of long term debt	340.36	-	251.88	-
Trade payables	1,095.18	-	1,241.37	-
Other financial liabilities				
Interest accrued but not due on borrowings	-	-	9.39	-
Salaries & wages payable	97.71	-	86.06	-
Cheque payable	19.50	-	1.46	-
Other payable	23.74	-	34.33	-
Total	**4,376.32**	**-**	**4,057.17**	**-**

Financial Instruments-Fair value hierarchy

The comapany categorizes financial assets and financial liabilities measured at fair value into one of three level depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

ii) Level 2 Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the financial asset or financial liabilities.

iii) Level 3 Inputs are unobservable input for the assets or liability reflecting the significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy to the financial assets and financial liabilities of the Company :-

Quantitative disclosure fair value measurement hierarchy for assets/liabilites as at period end

Particulars	Level of the Fair Value	As at 31 March 2026		As at 31 March 2025	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets not measured at fair value					
Measured at amortised cost					
Financial assets (current)					
Trade Receivable	Level 3	2,394.71	2,394.71	2,693.89	2,693.89
Cash and cash equivalents	Level 3	198.15	198.15	83.48	83.48
Bank balance other than cash and cash equivalents	Level 3	12.83	12.83	11.28	11.28
Financial assets (non-current)					
Security deposits	Level 3	15.05	15.05	15.05	15.05
Total		**2,620.74**	**2,620.74**	**2,803.70**	**2,803.70**
Financial liabilities not measured at fair value					
Measured at amortised cost					
Borrowings-Non-current					
Term loans (Secured)	Level 3	676.37	676.37	390.78	390.78
Vehicle loans from NBFC (Secured)	Level 3	116.25	116.25	53.46	53.46
Loans from directors (Unsecured)	Level 3	61.93	61.93	70.60	70.60
Loans from directors & their relative (Unsecured)	Level 3	80.66	80.66	75.44	75.44
Loans from bodies corporate (Unsecured)	Level 3	364.62	364.62	345.79	345.79
Total (a)		**1,299.83**	**1,299.83**	**936.07**	**936.07**
Borrowings-Current					
Short term borrowings	Level 3	1,500.00	1,500.00	1,496.61	1,496.61
Current maturities of long term debt	Level 3	340.36	340.36	251.88	251.88
Total (b)		**1,840.36**	**1,840.36**	**1,748.49**	**1,748.49**
Trade payables	Level 3	1,095.18	1,095.18	1,241.37	1,241.37
Total (c)		**1,095.18**	**1,095.18**	**1,241.37**	**1,241.37**
Other current financial liabilites					
Interest accrued but not due on borrowings	Level 3	-	-	9.39	9.39
Salaries & wages payable	Level 3	97.71	97.71	86.06	86.06
Cheque payable	Level 3	19.50	19.50	1.46	1.46
Other payable	Level 3	23.74	23.74	34.33	34.33
Total (d)		**140.95**	**140.95**	**131.24**	**131.24**
Total (a+b+c+d)		**4,376.32**	**4,376.32**	**4,057.17**	**4,057.17**

Notes:

i) Fair valuation of current financial liabilities is considered as approximate to respective carrying amount due to the short term maturities of their instrument.

ii) Trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets, trade payables and other financial liabilities have fair value that approximate to their carrying amounts due to their short-term nature.

iii) There are no transfer between Level 1, Level 2, and Level 3 during the year ended 31 March 2026 and 31 March 2025.

33 Financial Risk Management objectives and

Financial risk factors

The company's activities expose it to a variety of financial risks; market risk (including currency risks, interest rate risks and price risk), credit risk and liquidity risk. This note presents information about the company's exposure to each of the said risks, the company's objectives, policies and processes for measuring risks and the company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The board of director has 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 measures and controls and to monitor risks and adherence to limits. Risks management policies and systems are reviewed regularly to reflect changes in market conditions and in the company's activities.

The company's exposure to the various types of risks associated to its activity and financial instruments is detailed below:

Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of a customer on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instrument that are subject to concentration of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the financial instrument of the Company result in material concentration of credit risk.

Provision for expected credit losses

Recognition of provision of expected credit losses provision is done on the basis of:

Trade receivables:	Lifetime expected credit
Other assets:	12 months expected

For the year ended 31 March 2026

Particulars	Estimated gross carrying	Expected credit loss	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	2,394.71	-	-	2,394.71
Cash and cash equivalents	198.15	-	-	198.15

For the year ended 31 March 2025

Particulars	Estimated gross carrying	Expected credit loss	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	2,693.89	-	-	2,693.89
Cash and cash equivalents	83.48	-	-	83.48

Liquidity risk

Liquidity risk is the risk that the company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the company to manage liquidity is to ensure, as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation.

The table below summarises the maturity profile of financial liabilities of company based on contractual undiscounted payments:

For the year ended 31 March 2026	On demand	Within 1 year	1 to 5 years	> 5 years	Total
Borrowings Non-current					
Term loans (Secured)	-	-	676.37	-	676.37
Vehicle loan (Secured)	-	-	116.25	-	116.25
Loans from director (Unsecured)	-	-	-	61.93	61.93
Loans from directors & their relative (Unsecured)	-	-	-	80.66	80.66
Loans from bodies corporate (Unsecured)	-	-	-	364.62	364.62
Borrowings Current					
Working capital loan from bank	-	1,500.00	-	-	1,500.00
Current maturities of long term borrowings	-	340.36	-	-	340.36
Other financial liabilities					
Interest accrued and due on borrowings	-	-	-	-	-
Trade payables					
Trade payables	-	1,095.18	-	-	1,095.18

For the year ended 31 March 2025	On demand	Within 1 year	1 to 5 years	> 5 years	Total
Borrowings Non-current					
Term loans (Secured)	-	-	390.78	-	390.78
Vehicle loans (Secured)	-	-	53.46	-	53.46
Loans from director (Unsecured)	-	-	-	70.60	70.60
Loans from directors & their relative (Unsecured)	-	-	-	75.44	75.44
Loans from body corporate (Unsecured)	-	-	-	345.79	345.79
Borrowings Current					
Working capital loan from bank	-	1,496.61	-	-	1,496.61
Current maturities of long term borrowings	-	251.88	-	-	251.88
Other financial liabilities					
Interest accrued and due on borrowings	-	9.39	-	-	9.39
Trade payables					
Trade payables	-	1241.37	-	-	1,241.37

34 Market Risk

Market risk is the risk that the Company's assets and liabilities will be exposed to due to a change in market prices such as foreign exchange rates and interest rates that determine the valuation of these financial instruments. Financial instruments affected by market risk include receivables, payables, and loans and borrowings.

(a) Foreign currency risk exposure:

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

Particulars	As at 31 March 2026	As at 31 March 2025
	USD/EURO	USD
Financial assets		
Trade receivables	4.71	2.84
Advance to suupliers	-	-
Net exposure to foreign currecy risk (assets)	4.71	2.84
Financial liabilities		
Advance from customers	0.15	-
Net exposure to foreign currency risk (liability)	0.15	-

(C) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign forward exchange contracts, foreign exchange option contracts designated as cash flow hedges.

Particulars	Impact on Profit after Tax	
	For the year ended 31 March 2026	For the year ended 31 March 2025
USD Sensitivity		
INR/USD -Increase by .5% (31 March 2025-.5%)	(0.01)	-
INR/USD -Decrease by .5% (31 March 2025-.5%)	0.01	-

(b) Interest rate risk exposure:

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Variable Rate Borrowings		
Term loans from Banks	676.37	390.78
Vehicle loans from NBFC	116.25	53.46
Total	**792.62**	**444.24**

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

Particular	Impact on profit after tax	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest rates – increase by 50 basis points*	3.97	4.07
Interest rates – decrease by 50 basis points*	(3.97)	(4.07)
Total		

* Holding all other variable constant

35 Contingent Liabilities and Commitments (to the extent not provided for)

	As at 31 March 2026	As at 31 March 2025
Contingent Liabilities	-	-
Commitment		
Estimated amount of contracts remaining to be executed on capital account and not provided for	20.12	-

36 Value of Imports (C.I.F.) Value in respect of

Particulars	As at 31 March 2026	As at 31 March 2025
(a) Raw materials	853.06	1,494.71
(b) Stores & spare parts	33.41	10.56
(c) Plant & machinery	18.99	-
Expenditure in foreign currency	-	-
Remittance in foreign currency	905.46	1,505.27
Earning in foreign currency	2,024.00	1,533.57

37 Consumption of Imported and Indigenous Raw Material, Stores & Spares Parts etc :

Particulars	As at 31 March 2026		As at 31 March 2025	
	Amount	Percentage	Amount	Percentage
1. Raw Material				
Indigenous	9,086.32	89.55%	7,810.68	79.22%
Imported	1,060.79	10.45%	2,049.28	20.78%
Total Rs.	10,147.11	100.00%	9,859.96	100.00%
2. Stores & Spares				
Indigenous	524.04	92.82%	638.17	97.80%
Imported	40.51	7.18%	14.35	2.20%
Total Rs.	564.55	100.00%	652.52	100.00%
3. Chemical (Indigenous)	1,634.53	100.00%	1,832.34	100.00%
4. Packing Material (Indigenous)	237.11	100.00%	202.48	100.00%

38 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2026 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

a	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	26.85	47.75
b	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

39 **Related Party Disclosure**

Related Parties names and relationship

Name of Party	Principal Place of Operation	Principal Activitites	Relation
Shri Himanshu Sangal	India	Remuneration/Investing	Key Management Personnel
Shri Amit Sangal	India	Remuneration/Investing	Key Management Personnel
Shri Anant Vats	India	Remuneration	Key Management Personnel
Shri Tanmay Sangal	India	Remuneration/Investing	Relative of Key Management Personnel
Shri Vinayak Sangal	India	Remuneration/Investing	Relative of Key Management Personnel
Smt. Renu Sangal	India	Investing	Relative of Key Management Personnel
Smt. Charu Sangal	India	Investing	Relative of Key Management Personnel
Prerna Chits (P) Limited	India	Investing	Company controlled by director/relative
Shree Ganesh Credits (P) Limited	India	Investing	Company controlled by director/relative

Related parties transaction and balance

Nature of related party transactions	Key Management Personnel		Companies controlled by directors / relatives	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Unsecured borrowings				
Unsecured Loans taken	0.52	-	-	-
Unsecured Loans repayment	13.50	-	4.97	4.87
Interest on Unsecured Loan	4.79	5.08	32.25	30.49
Outstanding Payable				
Shri Himanshu Sangal	61.93	57.92	-	-
Shri Amait Sangal	-	12.68	-	-
Shri Tanmay Sangal	-	-	1.00	0.94
Shri Vinayak Sangal	-	-	11.42	10.68
Smt. Renu Sangal	-	-	68.24	63.83
Shri Ganesh Credits (P) Ltd.	-	-	179.05	169.83
Prerna Chits (P) Ltd.	-	-	185.57	175.95
Salary to:-				
Shri Himanshu Sangal, Managing Director	84.00	84.00	-	-
Shri Amit Sangal, Whole Time Director & CFO	84.00	84.00	-	-
Shri Tanmay Sangal, Director/ President Marketing	-	-	42.00	42.00
Shri Vinayak Sangal, Director/ President Operation	-	-	42.00	42.00
Shri Anant Vats, Company Secretary & Compliance Officer	7.88	7.60	-	-
Rent to:-				
Smt. Renu Sangal	-	-	4.44	4.44
Other payable				
Shri Himanshu Sangal, Managing Director	4.60	-	-	-
Shri Amit Sangal, Whole Time Director & CFO	4.60	-	-	-
Shri Tanmay Sangal, Director/ President Marketing	-	-	2.59	2.59
Shri Vinayak Sangal, Director/ President Operation	-	-	2.59	2.59
Shri Anant Vats, Company Secretary & Compliance Officer	0.65	0.65	-	-
Smt. Renu Sangal	-	-	0.37	0.33

40 Segment Reporting

In line with IND AS 108 - Operating Segments and on the basis of review of operations being done by the senior management, the operations of the company fall under manufacturing of paper products, which is considered to be the only reportable segment by the management.

Details of Revenue from Single Customer more then 10%

There is no revenue from single customer which exceeeds the 10% of the total revenue of the company for the FY 2025-26

Non current assets	**As at 31 March 2026**	**As at 31 March 2025**
(Other than financial instruments; post employment benefits; deferred tax		
Within India	20.03	-
Outside India	-	-

41 Capital management

(a) Risk management

The Company's objectives when managing capital are to safeguard their ability to continue as a goning concern, so that they can continue to provide return for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the company monitors capital on the basis of the followings gearing ratio:

Net debt (total borrowings net of cash and cash equivalents)

divided by

Total 'equity' (as shown in the balance sheet, including non-controlling interests)

The company's gearing ratio were as follows:

Particular	As at 31 March 2026	As at 31 March 2025
Net debt	2,942.04	2601.08
Total equity	4,673.22	4434.27
Net debt to equity ratio	**62.96%**	**58.66%**

In order to achieve this overall objective, the company's capital management amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowing that define capital structure requirement. Breaches in meeting the fianancial covenants would permit the bank to immediately call loans and borrowings.

42 Other Statutory Information

(i) The title deeds of all the immovable properties disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

(ii) The Company has not revalued any of its Property, Plant and Equipment during the current reporting period and also for previous year reporting period.

(iii) The Company has not granted any loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act 2013, either severally or jointly with any other person, that are (a) repayable on demand, or (b) without specifying any terms or period of repayment.

(iv) The company does not have any capital work in progress during the year.

(v) The Company does not have any intangible assets under development during the current and previous year reporting period.

(vi) The Company does not hold any Benami Property and hence there were no proceedings initiated or pending against the Company for holding any benami property under the Benami Property Transaction Act, 1988 and the Rules made there under.

(vii) The company has borrowings from banks or financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(viii) The company is not declared willful defaulter by any bank or financial institution or other lender during the year.

(ix) **Transactions with companies struck off under section 248 of the Companies Act,2013 or section 560 of Companies Act, 1956.**

	31.03.2026	**31.03.2025**
(a) Transactions other than shareholding with struck off Companies	NIL	NIL

(b) On the basis of information available, details of shares held by struck off company (Face value of ₹ 10) are as under:-

Name of the Struck off Company	Nature of transaction with struck- off	No. of shares 31.03.2026	No. of shares 31.03.2025	Face Value 31.03.2026	Face Value 31.03.2025
Maharaja Finance & Investment Ltd.	Shares held by struck off	160	160	0.02	0.02
Silla Investments Ltd.	Shares held by struck off	120	120	0.01	0.01
Competent Marketing Private Ltd.	Shares held by struck off	100	100	0.01	0.01
Dove Finance Private Ltd.	Shares held by struck off	60	60	0.01	0.01
Parsani Investments & Leasing Pvt. Ltd	Shares held by struck off	40	40	0.00	0.00

(x) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(xi) The Company does not have investment in any downstream companies for which it has to comply with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

(xii) The Company has used the borrowings from banks and financial institutions for the purpose for which it was obtained.

(xiii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:-

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(xiv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(xv) The Company does not have any such transactons which was not recorded in the books of accounts 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.

(xvi) The Company has not traded or invested in Crypto Currency or Virtual Digital Assets during the financial year.

(xvii) The Company is not required to comply with the provisions of Section 135 of the Companies Act, 2013.

43 Financial Ratio Analysis

		31.03.2026	31.03.2025		
Type of Ratios	**Formula**	**Ratio**	**Ratio**	**Variance**	**Reason for variance**
Current Ratio (Times)	Current Assets/Current Liabilities	1.50	1.60	(6.25%)	--
Debt Equity Ratio (Times)	Total Debt/Shareholders' Equity	0.69	0.63	9.52%	--
Debt Service Coverage Ratio (Times)	Earnings available for debt service (EBIDTA) / (Interest + Installments)	2.00	1.98	1.01%	--
Return on Equity Ratio (%)	PAT/Average Equity Shareholders' Fund	5.20%	6.58%	(20.97%)	--
Inventory Turnover Ratio (Times)	Sales/Average Inventory	7.91	7.87	0.51%	--
Trade Receivable Turnover Ratio (Times)	Net Credit Sales/Average Trade Receivables	7.05	6.96	1.29%	--
Trade Payable Turnover Ratio (Times)	Net Purchase / Average Trade	12.93	11.56	11.85%	--
Net Capital Turnover Ratio	Sales/Working Capital	10.87	9.12	19.19%	--
Net Profit Ratio (%)	Net Profit (PAT)/Sales	1.32%	1.57%	(15.92%)	--
Return on Capital Employed (%)	EBIT/Average Capital Employed	6.91%	8.80%	(21.48%)	--
Return on Investment	Income on investment / Cost of investment	-	-	-	--

44 Other points

(a) In the opinion of the Board of Directors, trades receivables, other current financial assets and other current assets have value on relisation in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the balance sheet.

(b) Keeping in view of the provisions of section 115JB of Income Tax Act, 1961, provision for Income Tax (MAT) has been made.

(c) Balances of trade receivables, trade payable and advances as at 31st March, 2026 are subject to confirmation.

(d) Audit trail feature, as mandated by the Companies (Accounts) Rules, 2014 (as amended) with effect from April 01, 2023, has been enabled in the accounting software used by the Company,and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirement for record retention.

(e) Previous year figures have been re-arranged and re-grouped wherever necessary as to make them compareable. Figures have been rounded off to nearest lakhs as per the provisions of schedule III of Companies Act, 2013.

Material accounting policies 1-2
The accompanying notes are an integral part of the financial statements

As per our report of even date
For RAJ VIYOM & CO.
ICAI Firm Registration No.: 002011C
Chartered Accountants

CA Raj Kumar Sharma
Partner
Membership No.: 077650

Place: Muzaffarnagar
Date: 29.05.2026
UDIN: 26077650PSKAXY8688

For and on behalf of the Board of Directors

Managing Director
(Himanshu Sangal)
DIN- 00091324

Director
(Tanmay Sangal)
DIN- 01297057

Executive Director & Chief Financial Officer
(Amit Sangal)
DIN: 00091486

Company Secretary
(Anant Vats)
PAN : ADXPV9886B