LAKHOTIA POLYESTERS (INDIA) LIMITED
CIN NO: L17120MH2005PLC155146
Address: 158 – 159, Shree Samarth Sahakari AudyogikVasahat Ltd, Pimpal Gaon Baswant, Tal Niphad, Dist Nashik Maharashtra – 422209
Tel: 02554 – 232000 Email: info@lgroup.co.in. Website: www.lakhotiapoly.in

August 29, 2026

The Manager
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai-400001
Scrip No. **535387**

Sub: **Intimation of 21st Annual General Meeting scheduled to be held on Monday, September 21, 2026.**

Dear Sir/Madam,

This is to inform you that:

(a) Pursuant to the MCA Circulars and SEBI Circulars issued from time to time, the 21stAnnual General Meeting (AGM) of the Company will be held Monday, September 21, 2026.

(b) The Company has fixed Friday, September 11, 2026, as the "Cut-off Date" for determining the eligibility of Members to vote by remote e-voting or e-voting at the Annual General Meeting.

(c) The Company will be availing remote e-voting system of Central Depository Services Limited (CSDL) for casting vote for AGM. The remote e-voting period shall commence on Thursday, September 17, 2026 (9:00 A.M.) and end on Sunday, September 20, 2026 (5:00 P.M.).

(d) Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Register of Members and Share Transfer Books of the Company will remain closed for the purpose of Annual General Meeting, as detailed below;

Symbol	Type of Security	Book Closure Date	Cut-Off Date
535387	Equity Shares	Book Closure will start from Tuesday, September 15, 2026, to Monday, September 21, 2026 (both days inclusive) for the purpose of Annual General Meeting for financial year 2025-26	Friday, September 11, 2026,

Further pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report for the Financial Year 2025-2026 along with the Notice of the 21st AGM of the Company to be held on Monday, September 21, 2026, at 4:00 P.M. (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") , which is being sent electronically to the Members whose e-mail IDs are registered with the Company/Registrar and Share Transfer Agents of the Company/Depositories.

The Notice of the AGM and the Annual Report has also been uploaded on the website of the Company at www.lakhotiapoly.in..

Kindly take the same on record.

Thanking You,

Yours faithfully,
For Lakhotia Polyesters (India) Ltd.

MADHUSUDAN SHAMSUNDAR LAKHOTIYA Digitally signed by MADHUSUDAN SHAMSUNDAR LAKHOTIYA Date: 2026.08.29 15:13:39 +05'30'

Madhusudan Lakhotiya
Managing Director
DIN No.: 00104576
Email Id: admin@lgroup.co.in

LAKHOTIA POLYESTERS (INDIA) LIMITED

21st ANNUAL REPORT - 2025-26

ANNUAL REPORT 2025-26

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CORPORATE INFORMATION

BOARD OF DIRECTORS

• Mr. Madhusudan Lakhotiya	Managing Director
• Mrs. Jayshri Lakhotiya	Chairman & Executive Director
• Mr. Ashokkumar Gulabchand Khajanchi	Executive Director
• Mr. Kanhaiya Lal Sharma	Non-Executive, Independent Director
• Mr. Vashishtha Mohan Pandiya	Non-Executive, Independent Director
• Ms. Kajal Dubey**	Non-Executive, Independent Director ** Appointed with effect from July 17, 2026

KEY MANAGERIAL PERSONNEL

• Mr. Madhusudan Lakhotiya	Managing Director
• Mr. Vivek Rathi	Chief Financial Officer
• Ms. Shanu Chaturvedi	Company Secretary & Compliance Officer

STATUTORY AUDITORS

M/s. Sharp Aarth & Co. LLP, Chartered Accountants

SECRETARIAL AUDITORS

M/s. Rohit S Kasat & Associates, Company Secretaries

INTERNAL AUDITORS

Mr. V B Rathi

BANKERS

Central Bank of India, Nasik

REGISTRAR AND TRANSFER AGENT

MUFG Intime India Private Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai-400083. Tele No. +91 22 49186270, Fax: +91 22 4918 6060
Email: rnt.helpdesk@in.mpms.mufg.com ; **Website:** www.in.mpms.mufg.com

REGISTERED OFFICE

Lakhotia Polyesters (India) Limited
158/159 Samartha Sahkariaudyogik Vasahat Ltd.,
Pimpal- Gaon (Baswant), Tal Niphad, District Nashik, Maharashtra- 422209
Tel: +91 2550-252300 ; Website: www.lakhotiapoly.in ; Email: info@lakhotiapoly.in ; CIN: L17120MH2005PLC155146

PLANT

Plot 158, 159, 160, 161, 162, Shree Samartha Sahakari Audyogik Vasahat Ltd.,
Pimpalgaon Baswant, Taluka- Niphad District Nashik, Maharashtra
S. No 329/2, Plot No. 11 (Part) +12+13+14 (Part), Near Rajasthani School, Malegaon, (Nashik)- 423203

COMPOSITION OF COMMITTEES:

Audit Committee:

Sr. No.	Name of the Director	Category	Chairperson/Member
1.	Ms. Kajal Dubey**	Non-Executive- Independent Director	Chairperson
2.	Mr. Vashishtha Mohan Pandiya	Non-Executive- Independent Director	Member
3.	Mr. Kanhaiya Lal Sharma	Non-Executive- Independent Director	Member
4.	Mr. Madhusudan Lakhotiya	Managing Director	Member

**Appointed with effect from July 17, 2026

Nomination and Remuneration Committee:

Sr. No.	Name of the Director	Category	Chairperson/Member
1.	Mr. Vashishtha Mohan Pandiya	Non-Executive - Independent Director	Chairperson
2.	Mr. Kanhaiya Lal Sharma	Non-Executive – Independent Director	Member
3.	Ms. Kajal Dubey**	Non-Executive - Independent Director	Member

**Appointed with effect from July 17, 2026

Stakeholders Relationship Committee:

Sr. No.	Name of the Director	Category	Chairperson/Member
1.	Mr. Vashishtha Mohan Pandiya	Non-Executive - Independent Director	Chairperson
2.	Mr. Kanhaiya Lal Sharma	Non-Executive – Independent Director	Member
3.	Mrs. Jayshri Lakhotiya	Executive Director	Member

NOTICE OF 21st ANNUAL GENERAL MEETING

NOTICE is hereby given that the 21st Annual General Meeting (AGM) of the shareholders of **Lakhotia Polyesters (India) Limited** ("the Company") will be held on Monday, September 21, 2026 at 4.00 p.m. ('IST') through Video Conferencing facility/ Other Audio Visual Means ('VC/OAVM') to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2026, and the reports of the Board of Directors and the Statutory Auditors thereon.
2. To appoint a Director in place of Mrs. Jayshri Lakhotiya (DIN: 05357609), who retires by rotation and being eligible, has offered herself for re-appointment

Special Business:

3. **Appointment of Statutory Auditor to fill casual vacancy**

   To consider and if thought fit, to pass, the following Resolution as an ***Ordinary Resolution:***

   "RESOLVED THAT pursuant to the provisions of Section 139(8), 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and on the recommendation of the Audit Committee and Board of Directors of the Company, M/s. Praveen Purohit & Associates, Chartered Accountants, (Firm Registration No.164568W), be and is hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Sharp Arth & Co LLP, Chartered Accountants, (Firm Registration No: 132748W/ W100823), and would hold the office until the conclusion of this Annual General Meeting (21st) of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee and approved by the Boad of Directors of the Company."

4. **To appoint M/s Praveen Purohit & Associates, Chartered Accountants as the Statutory Auditor:**

   *To consider and if thought fit, to pass the following Resolution as **Ordinary Resolution**:*

   "RESOLVED THAT pursuant to provisions of Sections 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), or re-enactments thereof for the time being in force) and on the recommendation of the Audit Committee and Board of Directors of the Company, M/s. Praveen Purohit & Associates., Chartered Accountants, (Firm Registration No. 164568W), be and is hereby appointed as Statutory Auditor of the Company to hold office for a period of five consecutive years from the conclusion of the 21st Annual General Meeting till the conclusion of the 26th Annual General Meeting of the Company, at such remuneration plus applicable taxes and out of pocket expenses, as may be determined and recommended by the Audit Committee and approved by the Board of Directors of the Company."

5. **Appointment of Ms. Kajal Dubey (DIN: 09717665) as an Independent Director of the Company:**

   *To consider and, if deemed fit, to pass the following resolution as a **Special Resolution***

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 17(1C) and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation made by the Nomination and Remuneration Committee, Ms. Kajal Dubey (DIN: 09171665), who was appointed as an Additional Director of the Company in the capacity of (Non-Executive Independent Director) by the Board of Directors with effect from July 17, 2026 in terms of Section 161(1) of the Companies Act, 2013, and who has submitted a declaration in writing that she meets the criteria of Independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years with effect from July 17, 2026.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder Ms. Kajal Dubey (DIN: 09717665) shall be entitled to receive the remuneration/fees/ commission as permitted to be received in the capacity of Non-Executive, Independent Director under the Act and the Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors from time to time;

   RESOLVED FURTHER THAT the Board of Directors of the Company [hereinafter referred to as "the Board" (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution)] be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the foregoing resolution."

6. **Appointment of Mr. Murli Harishkumar Lakhotia (DIN: 06898391) as a Director of the Company**

   *To consider and, if deemed fit, to pass the following resolution as an **Ordinary Resolution:***

RESOLVED THAT pursuant to the provisions of Sections 152, 161, and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Murli Harishkumar Lakhotia (DIN: 06898391), who was appointed by the Board of Directors as an Additional Director of the Company with effect from August 18, 2026, and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company in the category of Non-Executive, Non-Independent Director, liable to retire by rotation;

RESOLVED FURTHER THAT the Board of Directors of the Company [hereinafter referred to as "the Board" (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution)] be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the foregoing resolution."

For and on behalf of the
Board of Directors of Lakhotia Polyesters (India) Limited

sd/-

Madhusudan Lakhotiya
(Managing Director)
DIN: 00104576

Place: Nashik
Dated: August 18, 2026

Registered Office:
158/159 Samartha Sahkari Audyogik Vasahat Ltd.,
Pimpal- Gaon (Baswant), Tal Niphad,
District Nashik, Maharashtra - 422209.

NOTES

1. The Ministry of Corporate Affairs, Government of India ('MCA') has vide its circular no. 03/2025 dated September 22, 2025, read with general circulars no. 14/2020 dated April 08, 2020, no. 17/2020 dated April 13, 2020, no. 20/2020 dated May 05, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM' or 'Meeting') through Video Conferencing facility/Other Audio Visual Means ('VC/OAVM'), till further orders, in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated May 05, 2020. In compliance with the provisions of the Companies Act, 2013 ('the Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA & SEBI Circulars, the 21st AGM of the Company is being held through VC/OAVM.
2. The Company has availed the services of Central Depository Services (India) Limited ('CDSL') for conducting the AGM through VC/OAVM and enabling participation of Shareholders at the Meeting thereto and for providing services of remote e-voting and e-voting during the AGM.
3. An Explanatory Statement pursuant to Section 102 of the Act, relating to special business to be transacted at the AGM and the details of the Directors proposed to be appointed/re-appointed as required in terms of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings ('Secretarial Standards – 2') issued by the Institute of Company Secretaries of India, is annexed hereto.
4. Pursuant to the provisions of the Act, a shareholder 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 shareholder of the Company. As this AGM is being held through VC/OAVM, physical attendance of shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the shareholders will not be available for the AGM and hence the proxy form, attendance slip and route map are not annexed to this Notice.
5. The Meeting shall be deemed to be held at the registered office of the Company at 158/159 Samartha Sahkari, Audyogi Vasahat Ltd., Pimpal- Gaon (Baswant), Tal Niphad, District- Nashik, Maharashtra- 422209.
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and any other documents referred to in the accompanying Notice and Explanatory Statements shall be made available for inspection in accordance with the applicable statutory requirements based on the requests received by the Company at admin@lgroup.co.in.
7. Pursuant to Sections 101 and 136 of the Act read with the relevant rules made thereunder and Regulation 36 of the SEBI Listing Regulations, companies can send Annual Reports and other communications through electronic mode to those

shareholders who have registered their e-mail addresses either with the Company / RTA or with the Depository. Accordingly, the Annual Report containing financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), and such statements including the Notice of 21st AGM are being sent through electronic mode to those shareholders whose email address is registered with the Company / RTA or the Depositories. Physical copy of the Annual Report shall be sent to those shareholders who request for the same. Additionally, a letter providing the web link to access the Notice of the 21st AGM and Annual Report is being sent to those shareholders whose e-mail Ids are not registered with the Company/RTA or the Depositories.

8. The Notice of AGM and Annual Report is also available on the website of the Company www.lakhotiapoly.in. websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com., and on the website of CDSL i.e. www.evotingindia.com.

9. Shareholders, who have not registered their email address are requested to register the same in the following manner:

   - For shares held in physical form – By sending an email to admin@lgroup.co.in, Registrar and Share Transfer Agent ('RTA') at rnt.helpdesk@in.mpms.mufg.com
   - For shares held in demat form – By contacting their respective Depository Participant(s).

   Please note that registration of email address and mobile number is now mandatory while voting electronically and joining virtual Meetings.

10. Pursuant to the provisions of Section 72 of the Act read with the rules made thereunder and in terms of SEBI Circulars, shareholders holding shares in a single name may avail the facility of nomination in respect of the shares held by them. Shareholders holding shares in physical form may avail this facility by sending a nomination in the prescribed Form SH-13 to the RTA. The said form is available on the Company's website and can be downloaded www.lakhotiapoly.in Further, if shares are held in dematerialized form, shareholders can contact their respective Depository Participant(s) to update their nomination details.

11. SEBI has through relevant circulars issued in this regard, mandated furnishing of PAN, KYC details (i.e., postal address with pin code, email address, mobile number, bank account details) and nomination details by shareholders holding securities in physical form. In view of the same, concerned shareholders are requested to furnish the requisite documents/information to the RTA at the earliest. Any service requests or complaints received from the shareholders, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. Dividend payments in respect of such folios wherein PAN or KYC details are not available shall only be made electronically, upon registering all the required details. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at www.lakhotiapoly.in Further, SEBI has vide its circular dated January 25, 2022 mandated listed companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, shareholders are requested to make service requests in prescribed Form ISR–4, as available on the Company's website at aforesaid link. The Company / RTA shall verify and process the investor service requests and thereafter issue a 'Letter of Confirmation' ('LOC') in lieu of physical share certificate(s). The LOC shall be valid for a period of one hundred and twenty days from the date of issuance within which the shareholder/claimant shall make a request to the Depository Participant for dematerialising the said shares. In case, the demat request is not submitted within the aforesaid period, the shares shall be credited to the Company's Suspense Escrow Demat Account.

12. SEBI vide circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023 has specified that a shareholder shall first take up his/her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/they can initiate dispute resolution through the Online Dispute Resolution ('ODR') portal. Shareholders are requested to take note of the same. The aforesaid Online Dispute Resolution ('ODR') portal can be viewed at https://smartodr.in/login.

13. The Board has adopted Investor Grievance Redressal Policy, which outlines the grievance redressal framework of the Company and the same is available on the website on www.lakhotiapoly.in

Instructions for remote e-voting:

14. Any person, whose name is recorded in the register of Members or in the register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on Friday, September 11, 2026 shall be entitled to avail the facility of remote e-voting. The remote e-voting period commences Thursday, September 17, 2026 at 9:00 a.m. and ends on Sunday, September 20, 2026 at 5:00 p.m. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she/they shall not be allowed to change it subsequently.

15. 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.

16. Pursuant to the provisions of Section 108 of the Act read with rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a shareholder using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

17. In order to increase the efficiency of the voting process, and pursuant to the SEBI Circular SEBI/HO/CFD/ CMD/CIR/P/ 2020/242 dated December 09, 2020, the demat account holders, are provided a single login credential, through their demat accounts/ websites of Depositories/Depository Participants. Demat account holders will now be able to cast their vote without having to register again with the E-voting Service Providers ('ESPs'), thereby facilitating seamless authentication and convenience of participating in e-voting process.

18. The procedure for remote e-voting is as under:

(A) The detailed process and manner for remote e-voting for individual shareholders holding securities in demat mode are explained herein below:

Type of Shareholders	**Login Method**
Individual shareholders holding securities in Demat mode with **CDSL**	• Users who have opted for CDSL Easi/Easiest facility, can login through their existing User ID and Password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on 'Login' icon & 'My Easi New (Token)' tab • After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting their vote during the remote e-voting period or joining virtual Meeting and voting during the Meeting. Additionally, there are links provided to access the system of all ESPs, so that the user can visit the ESPs website directly • If the user is not registered for Easi / Easiest, option to register is available at CDSL website www.cdslindia.com. and click on 'Login' & 'My Easi New (Token)' and then click on registration option.
Individual shareholders holding securities in Demat mode with **NSDL**	• If you are already registered for NSDL IDeAS facility, please visit the e-services Alternatively, the user can directly access e-voting page by providing demat account number and PAN from an e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile & email as recorded in the demat account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all ESPs website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on 'Access to e-Voting' under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual Meeting and voting during the Meeting • If the user is not registered for IDeAS e-services, option to register is available at https:// eservices.nsdl.com. Select 'Register Online for IDeAS' portal or click at https:// eservices.nsdl. com/SecureWeb/IdeasDirectReg.jsp. • Visit the e-voting website of NSDL: Open web browser by typing the following URL: https:/ /www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a
Individual Shareholders (holdingsecurities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual Meeting and voting during the Meeting

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

Helpdesk for Individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

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

(B) Login method for e-voting and joining virtual Meeting for shareholders holding shares in physical mode and non-individual shareholders holding shares in demat form:

i. Shareholders should log on to the e-voting website www.evotingindia.com

ii. Click on 'Shareholders' module.

iii. Enter your User ID:

a. For CDSL: 16 digits beneficiary ID

b. For NSDL: 8 Character DP ID followed by 8 digits Client ID

c. Shareholders holding shares in physical form should enter Folio Number registered with the Company.

iv. Next enter the Image Verification as displayed and click on 'Login'.

v. If you are holding shares in dematerialised form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

vi. If you are a first time user follow the steps given below:

	For shareholders holding shares in physical mode and non-individual shareholders holding shares in demat form
PAN	Enter your 10 digital alpha-numeric PAN issued by the Income Tax Department (applicable for both demat shareholders as well as physical shareholders). Shareholders who have not updated their PAN with the Company /Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA
Dividend Bank Details OR Date of Birth	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the Depository or Company please enter the Member ID / folio number in the Dividend Bank Details field

vii. After entering these details appropriately, click on 'SUBMIT' tab.

viii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

x. Click on the EVSN of 'Lakhotia Polyesters (India) Limited.

xi. On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option 'YES/NO' for voting. Select the option YES or NO as desired. The option YES implies that you assent to a resolution and option NO implies that you dissent to a resolution.

xii. Click on the 'RESOLUTIONS FILE LINK' if they wish to view the entire resolution details.

xiii. After selecting the resolution, you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.

xiv. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

xv. You can also take a print of the votes cast by clicking on 'CLICK HERE TO PRINT' option on the voting page.

xvi. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.

xvii. Process for those shareholders whose email addresses are not registered with the Depositories for obtaining login credentials for remote e-voting for the resolutions proposed in this Notice:

a) For shareholders holding shares in physical form, please provide necessary details like folio no., name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar card) by email to Company/RTA at admin@lgroup.co.in or rnt.helpdesk@in.mpms.mufg.com

b) For shareholders holding shares in dematerialized form, please update your e-mail ID and mobile no. with your respective Depository Participant

Instructions for shareholders attending the AGM through VC/OAVM:

19. The procedure for attending Meeting and e-voting on the day of the AGM is same as the instructions mentioned in Note no. 14 for e-voting

20. A person who is not a shareholder as on the cut-off date i.e. September 11, 2026 should treat this Notice of the AGM for information purpose only.

21. As per the provisions of the circulars, shareholders attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

22. The shareholders can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.

23. The facility of participation at the AGM through VC/ OAVM will be made available on first come, first served basis but will not apply to large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors, etc. who are allowed to attend the AGM without any restriction on account of first come first serve basis.

24. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system. Shareholders may access the same at https://www.evotingindia.com. under shareholders/Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholders/ Members login where the EVSN of Company will be displayed.

25. Further shareholders will be required to switch on the video facility and use internet connection with a good speed to avoid any disturbance during the Meeting.

26. Please note that use of mobile hotspot on the device used for attending the Meeting may affect the quality of audio/video due to fluctuations in network. It is therefore recommended to use a stable Wi-Fi or LAN connection for a better virtual experience.

27. Shareholders who need assistance before or during the AGM or have any queries or issues regarding e-voting, can write an email to helpdesk.evoting@cdslindia.com. or call on toll-free no. 1800 21 09911.

28. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, CDSL, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai – 400 013 or send an email to helpdesk.evoting@cdslindia.com. or call 1800 21 09911.

Procedure to raise questions/seek clarifications with respect to Annual Report:

29. Shareholders are requested to send their questions mentioning their name, demat account number / folio number, email ID, mobile number at admin@lgroup.co.in. Such questions by the shareholders shall be taken up during the Meeting and replied suitably.

30. Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request in advance mentioning their name, demat account number/folio number, email ID, mobile number at admin@lgroup.co.in.

31. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.

32. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM, depending on the availability of time.

Instructions for shareholders for e-voting during the Meeting:

33. Procedure for e-voting on the day of the AGM is same as the remote e-voting as mentioned above.

34. Shareholders who have voted through remote e-voting facility will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

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

36. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their votes on the resolutions through remote e-voting and are not otherwise barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

37. If any votes are cast by shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the Meeting is available only to the shareholders attending the Meeting.

Instructions for non–individual shareholders and custodians:

38. Non-individual shareholders (i.e. other than individuals, HUF, NRI, etc.) and custodians are required to log on to www.evotingindia.com and register themselves in the 'Corporates' module.

39. A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com

40. After receiving the login details a 'Compliance User' should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. The list of accounts linked in the login will be mapped automatically & can be delinked in case of any erroneous mapping.

41. A scanned copy of the Board Resolution and Power of Attorney 'POA' which they have issued in favour of the custodian, if any, should be uploaded in pdf format in the system for the Scrutinizer to verify the same.

42. Alternatively, Non-individual shareholders are required to send the relevant Board Resolution/ Authority letter etc., to the Scrutinizer and to the Company at the email ID viz. mmimani@csrma.in and admin@lgroup.co.in respectively if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the Scrutinizer to verify the same.

Voting Results:

43. Mr. Manoj Mimani, Partner of R M Mimani & Associates LLP, Company Secretaries, (Membership No. ACS 17083 and Certificate of Practice No. 11601) has been appointed as the Scrutinizer to scrutinize the remote e-voting and e-voting during the Meeting in a fair and transparent manner.

44. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairperson or a person authorized by him, within 2 (two) working days from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.

45. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.lakhotiapoly.in and on the website of CDSL at www.evotingindia.com. immediately after the declaration of results by the Chairperson or any person authorized by them. The results shall also be immediately forwarded to the BSE Limited.

46. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting i.e. Monday, September 21, 2026.

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

The following Statement sets out all material facts relating to the special business proposed in this Notice:

Items No 3 and 4

The Members of the Company at its 17th Annual General Meeting held on November 05, 2022 had appointed M/s. Sharp Arth & Co. LLP, Chartered Accountants, (Firms Registration No. 132748W/W100823) as the Statutory Auditor of the Company to hold office from the conclusion of 17th Annual General Meeting till the conclusion of 22nd Annual General Meeting of the Company.

However, M/s. Sharp Arth & Co. LLP due to their preoccupation of other assignments and voluminous audit related works involved, vide letter dated July 22, 2026 have resigned as the Statutory Auditor of the Company effective from July 22, 2026 which resulted into casual vacancy in the office of Statutory Auditor as envisaged by section 139(8) of the Companies Act, 2013.

The Board of Directors at its Meeting held on August 18, 2026 on the recommendation of the Audit Committee, had considered and appointed M/s. Praveen Purohit & Associates., Chartered Accountants, (Firm Registration No. 164568W) as Statutory Auditor of the Company in the casual vacancy caused by the resignation of M/s. Sharp Arth & Co. LLP to hold office until the conclusion of the 21st Annual General Meeting of the Company, subject to approval of the Members in the ensuing General Meeting.

Accordingly, consent of the Members is sought for passing the Resolutions as set out in Item No. 3 of the Notice for appointment of M/s Praveen Purohit & Associates, Chartered Accountants in the casual vacancy of statutory auditor caused by resignation of M/s Sharp Arth & Co. LLP.

The Company has received consent letter and eligibility certificate from M/s. Praveen Purohit & Associates, Chartered Accountants to act as Statutory Auditor of the Company, along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, consent of the Members is sought for passing the Resolutions as set out in Item No. 4 of the Notice for re-appointment of M/s Praveen Purohit & Associates, Chartered Accountants as statutory auditor for a period of five consecutive years from the conclusion of the 21st Annual General Meeting till the conclusion of the 26th Annual General Meeting of the Company and payment of remuneration to them.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Resolutions.

Item No. 5:

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, at its Meeting held on July 17, 2026, has appointed Ms. Kajal Dubey (DIN:09717665) as an Additional Directors in the capacity of (Non-Executive Independent Director) of the Company in terms of Sections 161(1) and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 with effect from July 17, 2026 for a period of 5 (five) consecutive years, not liable to retire by rotation, subject to approval of the Members of the Company.

Furthermore, under Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment of a director in a listed entity must be approved by the shareholders at the next general meeting or within three months from the date of appointment, whichever is earlier. Since the AGM is scheduled for September 21, 2026, his regularization is being placed before the Members for approval

The Company has received consent in writing from Ms. Kajal Dubey to act as a Director in Form DIR-2 and a declaration in Form DIR-8 confirming that she is not disqualified from being appointed as a Director under Section 164(2) of the Act and the declaration that she meets the criteria of Independence as provided in Section 149(6) of the Act. he has also given a declaration to the Company that she is not restrained from acting as a Director by the Securities and Exchange Board of India or any such authority.

Ms. Kajal Dubey holds a MBA degree in Finance and possesses a strong understanding of corporate governance, financial management, risk assessment, and strategic planning.

In the opinion of the Board, Ms. Kajal Dubey, is a woman of integrity, possesses the relevant expertise/ experience, and fulfils the conditions specified in the Act for appointment as an Independent Director and is independent of the management. Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

Draft letter of appointment of Ms. Kajal Dubey, as an Independent Director setting out terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours.

Consent of the Members is being sought by way of a Special Resolution, as set out at Item No. 5 of this Notice to approve the appointment of Ms. Kajal Dubey (DIN: 09717665) as Independent Director of the Company with effect from July 17, 2026 for a period of 5 (five) consecutive years, not liable to retire by rotation.

None of the Directors, Key Managerial Personnel of the Company, or their relatives, except Ms. Kajal Dubey, are in any way concerned or interested, financially or otherwise, in the resolution

Item No. 6

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, at its Meeting held on August 18, 2026, has appointed Mr. Murli Harishkumar Lakhotia (DIN: 06898391) as an Additional Directors in the capacity of (Non-Executive, Non-Independent Director) of the Company in terms of Sections 161(1) and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 with effect from August 18, 2026, liable to retire by rotation, subject to approval of the Members of the Company

Furthermore, under Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment of a director in a listed entity must be approved by the shareholders at the next general meeting or within three months from the date of appointment, whichever is earlier. Since the AGM is scheduled for September 21, 2026, his regularisation is being placed before the Members for approval.

Mr. Lakhotia is proposed to be appointed as a Non-Executive, Non-Independent Director, whose office shall be liable to retire by rotation. The Company has received consent in writing from Mr. Lakhotia to act as a Director in Form DIR-2 and a declaration in Form DIR-8 confirming that he is not disqualified from being appointed as a Director under Section 164(2) of the Act.

The Board considers that his association will be of immense benefit to the Company and recommends the Ordinary Resolution set out in the notice for approval by the shareholders.

None of the Directors, Key Managerial Personnel of the Company, or their relatives, except Mr. Murli Harishkumar Lakhotia are in any way concerned or interested, financially or otherwise, in the resolution.

For and on behalf of the
Board of Directors of Lakhotia Polyesters (India) Limited

Sd/-
Madhusudan Lakhotiya
Managing Director
DIN : 00104576

Place: Nashik
Dated August 18, 2026

Registered Office:
158/159 Samartha Sahkari Audyogi Vasahat Ltd.
Pimpal- Gaon (Baswant), Tal Niphad,
District- Nashik, Maharashtra- 422209

Annexure to Item No. 2, 5 & 6 of the Notice: (Details as required to be furnished under the Secretarial Standard–2 para 1.2.5 and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Director	Mrs. Jayshri Lakhotiya	Ms. Kajal Dubey	Mr. Murli Harishkumar Lakhotia
DIN	05357609	09717665	06898391
Age (Years)	44	24	35
Nationality	Indian	Indian	Indian
Date of first Appointment on the Board	24-07-2012	17-07-2026	18-08-2026
Qualification	B.com.	MBA in Finance	MBA
Brief resume and Expertise in specific functional area	Mrs. Jayshri Lakhotiya expertise in Human resources and Admin Functions	Ms. Kajal Dubey holds a MBA degree in Finance and possesses a strong understanding of corporate governance, financial management, risk assessment, and strategic planning.	Mr. Murli Lakhotia holds an MBA degree and possesses substantial business experience, along with a keen interest in international trade and related business activities.
Shareholding in the Company	3,34,632	Nil	Nil
No. of Board Meetings attended during the year (2025-26)	Six (6) Meeting	Nil	Nil
Terms & Conditions of appointment, including remuneration	Liable to retire by rotation and Remuneration Rs. 7, 80,000 per annum.	As per resolution	As per resolution
Remuneration proposed to be paid	Same as above	She is entitled for sittingfee for attending Meetingsof the Board or Committees thereof, reimbursement of expenses for participating in the Board and other Meetings, and profit related commission within the limits stipulated under Section 197 of the Companies Act, 2013 as may be decided by the Board from time to time.	He is entitled for sitting fee for attending Meetings of the Board or Committees thereof, reimbursement of expenses for participating in the Board and other Meetings, and profit related commission within the limits stipulated under Section 197 of the Companies Act, 2013 as may be decided by the Board from time to time.
Other Directorship	Nil	Nil	Nil
Chairman/Membership in committees of the Board of Directors of Other Listed Company in which he/she is a Director	Nil	Nil	Nil
Inter-se relationship with other Directors/ Key Managerial Personnel	Spouse of Madhusudhan Lakhotiya, Managing Director	Nil	Nil

For and on behalf of the
Board of Directors of Lakhotia Polyesters (India) Limited

Sd/-
Madhusudan Lakhotiya
Managing Director
DIN : 00104576

Place: Nashik
Dated: August 18, 2026

Registered Office:
158/159 Samartha Sahkari Audyogi Vasahat Ltd. Pimpal- Gaon (Baswant), Tal Niphad, District- Nashik, Maharashtra- 422209

BOARD'S REPORT

Dear Members,
Lakhotia Polyesters (India) Limited
Nasik

Your Directors have pleasure in presenting the **21st (Twenty-First) Board's Report** on the business, operational, and financial performance of the Company, together with the Audited Standalone Financial Statements for the financial year ended March 31, 2026.

1. **FINANCIAL RESULTS**

The Company's financial performance for the financial year ended March 31, 2026, compared with the previous financial year, is summarized below:

[Amount in Lakhs]

Particulars	**Year ended March 31, 2026**	**Year ended March 31, 2026**
Total Income	1976.09	7216.58
Less: Expenditure	1661.25	6410.62
Profit/(loss) before Tax	314.84	805.96
Tax Expense (including Previous Year Tax Adjustment)	77.32	203.90
Profit/(Loss) after tax	237.52	602.06

2. **OPERATIONS / STATE OF COMPANY'S AFFAIRS:**

A summary of the Company's financial performance for the financial year ended March 31, 2026, compared with the previous financial year, is detailed below:

- **Total Income:** During the financial year 2025–26, the Company recorded a total income of ₹1,976.09 Lakhs, as against ₹7,216.58 Lakhs in the preceding financial year 2024–25.
- **Net Profit After Tax:** The Company earned a net profit of ₹237.52 Lakhs for the financial year 2025–26, as compared to a net profit of ₹602.06 Lakhs in the previous financial year 2024–25

Despite these short-term operational challenges, the management continues to focus on optimizing operational efficiencies, exploring new market avenues, and tightening cost-control mechanisms to restore growth and maximize stakeholder value in the upcoming quarters.

3. **NATURE OF BUSINESS:**

Your Company is primarily engaged in the business of manufacturing and selling high-quality metallic yarns, textile fabrics, polyester lacquered/coated films, transfer foils, printing films, packaging films, and related chemical products.

There has been no change in the nature of the business activities of the Company during the financial year ended March 31, 2026

4. **DIVIDEND AND RESERVES**

With a view to conserve financial resources for future business growth and operational requirements, the Board of Directors does not recommend any dividend on the Equity Shares of the Company for the financial year ended March 31, 2026.

During the financial year under review, the Board of Directors has resolved not to transfer any amount to the General Reserve of the Company. Consequently, the entire balance of profits for the financial year ended March 31, 2026, has been carried forward to the Retained Earnings / Surplus in the Statement of Profit and Loss.

5. **SHARE CAPITAL**

As on March 31, 2026, Authorized Share Capital of the Company, is Rs. 10,50,00,000 (Rupees Ten Crores and Fifty lakhs only) comprising of 1,05,00,000 (One crore and five lakhs) equity shares of Rs. 10/- each, and Paid-up Share Capital is Rs. 10,47,39,880 (Ten crores forty seven thirty nine lacs eight hundred eighty only) comprising of 1,04,73,988 (Ten crores forty sevn lacs thirty nine thousand eight hundred and eighty) equity shares of Rs. 10/ each.

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules 2014 is furnished.

6. **SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES**

The Company does not have any Subsidiary, Associate, or Joint Venture Company as of March 31, 2026. During the financial year under review, no company became or ceased to be a Subsidiary, Associate, or Joint Venture of the Company.

7. **CONSOLIDATED FINANCIAL STATEMENTS**

Consequent to the fact that the Company has no Subsidiary, Associate, or Joint Venture Company, the preparation and presentation of Consolidated Financial Statements under Section 129(3) of the Companies Act, 2013, and the Rules made thereunder, are not applicable to the Company for the financial year ended March 31, 2026.

8. **CORPORATE GOVERNANCE**

The Company is committed to maintaining the highest standards of Corporate Governance and strictly adheres to the corporate governance requirements stipulated by the Securities and Exchange Board of India ("SEBI").

In compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a detailed report on Corporate Governance forms an integral part of this Annual Report.

The requisite compliance certificate from the Secretarial Auditors of the Company, confirming compliance with the conditions of Corporate Governance and a declaration signed by the Managing Director & CEO of the Company, affirming compliance by the Members of the Board and Senior Management personnel with the Company's Code of Conduct are annexed to the Corporate Governance Report.

9. **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to Regulation 34(2)(e) of the SEBI (LODR) Regulations, 2015, a detailed review of the Company's operations, performance, and future outlook is set out under the Management Discussion and Analysis Report, which forms a separate and integral part of this Annual Report.

10. **ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, a copy of the Annual Return for the financial year ended March 31, 2026 is placed on the website of the Company at www.lakhotiapoly.in

11. **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As on the date of this Report, your Company had Six (6) Directors consisting of 3 (Three) Independent Directors, 3 (Three) Executive Directors.

Mr. Nikunj Shrawan Bihani, Non-Executive Independent Director (DIN: 09773768) has stepped down from the Board of Directors of the Company with effect from July 17, 2026.

Mrs. Kajal Dubey (09717665) was appointed as an Additional Director in the capacity of Non-Executive Independent Director of the Company with effect from July 17, 2026, subject to the approval of the Members.

The Board has recommended to shareholders to approve the regularization of the appointment of Ms. Kajal Dubey at the ensuing Annual General Meeting of the Company

The Company has received declarations from all the Independent Directors of the Company pursuant to the provisions of Section 149(7) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations stating that they meet the criteria of independence as provided under the Act and the Listing Regulations and that they are not disqualified to become Directors under the Act; and in the opinion of the Board of Directors, all the Independent Directors fulfill the criteria of independence as provided under the Act read with the Listing Regulations and that they are independent of the Management.

The Company has also received Form DIR-8 from all the Directors pursuant to Section 164(2) and Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

Details of the composition of the Board and Committees, Meetings of the Board and Committees held thereof during the financial year, and attendance threat have been provided in the Corporate Governance Report forming part of this Annual Report.

Brief resume and other details of the Directors proposed to be re-appointed, as stipulated under the Listing Regulations and Secretarial Standard-2, has been furnished separately in the Notice convening the AGM read with the Annexure thereto forming part of this Annual Report.

As on March 31, 2026, Key Managerial Personnel (KMP) of the Company pursuant to Section 2(51) and Section 203 of the Act read with the Rules framed are as under:

- Mr. Madhusudan Lakhotiya: : Managing Director
- Mr. Vivek Rathi : Chief Financial Officer
- Ms. Shannu Chaturvedi : Company Secretary & Compliance Officer

12. BOARD COMMITTEES:

The Board had constituted/re-constituted various Committees in compliance with the provisions of the Act and the SEBI Listing Regulations. All decisions pertaining to the constitution of Committees, appointment of Members and fixing of terms of reference/role of the Committees are taken by the Board. The details of the role and composition of these Committees, including the number of Meetings held during the financial year and attendance at these Meetings are provided in the Corporate Governance Section of this Annual Report.

13. MEETINGS

A calendar of Board Meetings, Annual General Meeting and Committee Meetings is prepared and circulated in advance to the Directors of the Company. The Board met 6 (six) times during the financial year 2025-26 on May 28, 2025, June 24, 2025, August 21,2025, November 12, 2025, December 12, 2025, and January 19, 2026. The maximum time gap between any two consecutive Meetings did not exceed one hundred and twenty days.

14. A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE, AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

The Company has received declarations from all Independent Directors confirming compliance with the criteria of independence outlined in Section 149(6) of the Companies Act, 2013, and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Rule 8(5)(iiia) of the Companies (Accounts) Rules, 2014, the Board of Directors registers its explicit opinion regarding the Independent Directors appointed or re-appointed during the financial year under review.

15. INDEPENDENT DIRECTORS' MEETING

In accordance with Section 149(8) read with Schedule IV to the Companies Act, 2013, and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was convened on January 19, 2026 The meeting was conducted without the attendance of Non-Independent Directors or any members of the corporate management team.

During the meeting, the Independent Directors comprehensively evaluated and recorded their assessments regarding:

- The performance of individual Non-Independent Directors and the collective functionality of the Board of Directors.
- The performance of the Chairperson of the Company, based on the views received from both Executive and Non-Executive Directors.
- The structural quality, clarity, and timeline of operational and financial information flow from management, confirming it is optimal for driving informed board-level decision-making.

16. FAMILIARIZATION PROGRAM OF INDEPENDENT DIRECTORS

In compliance with the provisions of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has structured and implemented a familiarisation programme for the Independent Directors. This is designed to familiarize with their roles, statutory rights, and strategic responsibilities, alongside updates on the nature of the industry, the Company's operational frameworks, business model, and overall performance dynamics.

Pursuant to Regulation 46(2)(i) of the SEBI Listing Regulations, the complete details of the familiarisation programmes conducted during the year, including the number of programmes attended and hours spent by individual Independent Directors, are hosted on the website of the Company and can be accessed at www.lakhotiapoly.in

17. PERFORMANCE EVALUATION

Pursuant to the provisions of Section 134(3)(p) read with Schedule IV to the Companies Act, 2013, and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out a formal annual evaluation of its own performance, the individual performance of its Directors, as well as the functioning of its operational Committees.

The evaluation framework was designed and administered based on the criteria specified by the Nomination and Remuneration Committee (NRC), on following parameters:

- **Evaluation of the Board as a Whole:** Assessed on broad aspects including Board structure, composition, frequency and diligence of meetings, execution of key fiduciary responsibilities, systemic risk management, and the overall robustness and transparency of information flow from management.
- **Evaluation of Board Committees:** Assessed on the adequacy of their composition, clarity of mandates, compliance with respective Terms of Reference, and the effectiveness of their interactions and decision-making processes.
- **Evaluation of Individual Directors:** Evaluated on individual attributes such as meeting attendance, preparedness, proactive contribution to core strategy, exercise of independent judgment, and active guidance provided to the management team outside of formal boardroom discussions.

In alignment with statutory requirements, the performance of the Non-Independent Directors, the Board as a whole, and the Chairperson was evaluated by the Independent Directors in their separate meeting held on January 19, 2026, taking into consideration feedback from both Executive and Non-Executive Directors. The outcomes of the evaluation process were discussed at the subsequent meeting of the Board of Directors.

The performance evaluation of individual Independent Directors was concluded by the entire Board, excluding the specific Director being evaluated.

18. CRITERIA FOR SELECTION OF CANDIDATES FOR APPOINTMENT AS DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee (NRC) has formulated a comprehensive Nomination and Remuneration Policy. This policy establishes well-defined criteria for determining qualifications, positive attributes, and independence for selecting and appointing Directors, Key Managerial Personnel (KMP), and Senior Management Personnel.

The policy ensures that the level and composition of remuneration is reasonable, performance-linked, and sufficient to attract and retain talent required to run the Company successfully. The detailed Nomination and Remuneration Policy, along with the specific selection criteria, is hosted on the Company's website and can be accessed at www.lakhotiapoly.in

19. REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

Pursuant to Section 178(4) of the Companies Act, 2013, and applicable SEBI Listing Regulations, the Board has approved a comprehensive Nomination and Remuneration Policy framework based on the recommendation of the Nomination and Remuneration Committee (NRC).

This Policy governs the criteria for identifying, selecting, appointing, and retiring Directors, Key Managerial Personnel (KMP), and Senior Management Personnel. It explicitly lays down the parameters for determining qualifications, positive attributes, professional expertise, and the independence of Directors, alongside defining a progressive approach toward Board diversity.

The said policy document is available on the Company's website and can be accessed at www.lakhotiapoly.in.

20. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certain listed entities are required to include a Business Responsibility and Sustainability Report (BRSR) as part of their Annual Report, describing the initiatives taken by them from an Environmental, Social, and Governance (ESG) perspective.

Since the Company’s average market capitalization does not fall within the threshold, the provisions of the regulation regarding Business Responsibility and Sustainability Report (BRSR) are not applicable to the Company during the financial year 2025-26.

21. CORPORATE SOCIAL RESPONSIBILITY POLICY

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility became applicable to the Company as its net profit for the financial year ended March 31, 2025, crossed the threshold limit of ₹5 Crores.

In terms of Section 135(9) of the Act, where the CSR expenditure obligation of a company does not exceed ₹50 Lakhs, the requirement for constituting a CSR Committee is exempt, and the Board of Directors shall discharge all functions of such a committee. Since the CSR expenditure obligation of your Company fell below this ₹50 Lakh threshold, the Company was not required to constitute a separate CSR Committee, and the Board has directly overseen the CSR functions.

The Board of Directors approved the formal CSR Policy in its meeting held on January 19, 2026. The policy outlines the Company's strategy and focus areas for social development, and the same is accessible on the Company's website at www.lakhotiapoly.in

The detailed Annual Report on CSR activities, as required under the rules, is annexed to this report as **Annexure-I**.

22. RELATED PARTY TRANSACTIONS

In terms of Section 134(3)(h) and Section 188 of the Companies Act, 2013, read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all transactions attracting related party compliance were placed before the Audit Committee and the Board of Directors for review and approval.

Omnibus approval for routine and recurring related party transactions has been obtained from the Audit Committee, subject to the criteria and conditions specified in the Company’s Policy. In compliance with statutory requirements, a statement detailing the nature, value, and commercial terms of all transactions executed under this approval is presented to the Audit Committee on a quarterly basis for its review and monitoring.

During the financial year ended March 31, 2026, the Company has not entered into any material related party transactions as defined under the Act and all transactions were performed in the ordinary course of business at arm's length, hence particulars of transaction in Form AOC-2 is not required for the financial year 2025-26.

The Related Party Transactions Policy is hosted on the Company website and can be accessed at www.lakhotiapoly.in.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

Pursuant to the provisions of Section 134(3)(g) and Section 186(4) of the Companies Act, 2013, the full particulars of the loans advanced, guarantees extended, securities provided, and investments made by the Company during the financial year 2025-26 are set out in the Notes to the Financial Statements.

24. PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION:

Disclosures pertaining to the remuneration and other statistical details as mandated under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed herewith as **Annexure 'II'** and form an integral part of this Report.

In terms of the first proviso to Section 136(1) of the Act, the Annual Report and Financial Statements are being sent to the Members excluding the statement containing particulars of the top ten employees and those employees drawing remuneration in excess of the statutory thresholds prescribed under Rules 5(2) and 5(3) of the said Rules.

The aforesaid statement is available for inspection by the Members. Any Member interested in obtaining an copy of this statement may submit a formal request to the Company Secretary at at admin@lgroup.co.in

25. WHISTLE BLOWER POLICY/VIGIL MECHANISM:

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee. It is affirmed that no person has been denied access to the Audit Committee.

The said Policy is available on the Company website and can be accessed by weblink www.lakhotiapoly.in.

26. DIVIDEND DISTRIBUTION POLICY

The provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding the formulation of a Dividend Distribution Policy, are not applicable to the Company. Accordingly, the Company is not required to adopt or disclose such a policy.

27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

28. MATERIAL CHANGES AND COMMITMENT IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF FINANCIAL YEAR TILL THE DATE OF THE REPORT

There have been material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the Financial Statements relate and the date of this Report.

29. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) and Section 134(5) of the Companies Act, 2013, the Directors confirm that:

i. 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;

ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the year ended on that date;

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The Annual Accounts have been prepared on a going concern basis;

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

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

The Statutory Auditors of the Company have opined on the adequacy and operating effectiveness of the Internal Financial Controls Over Financial Reporting (IFCOFR) in their Independent Auditor's Report.

30. STATUTORY AUDIT

The Members of the Company, at their 17th Annual General Meeting ('AGM') held on November 05, 2022, had approved the appointment of M/s. Sharp Arth & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of that AGM until the conclusion of the 22nd AGM to be held in the year 2027.

The Auditor's Report submitted by the outgoing Statutory Auditors for the financial year ended March 31, 2026, does not contain any qualifications, reservations, adverse remarks, or disclaimers. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

During the financial year under review, the Statutory Auditors have not reported any instances of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

31. SECRETARIAL AUDIT AND SECRETARIAL AUDITOR'S REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed M/s Rohit S Kasat & Associates, Company Secretaries (CP No. 25402), to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2026.

The Secretarial Audit was conducted in accordance with the prescribed statutory framework, and the Secretarial Auditor's Report in Form MR-3 is annexed herewith as **Annexure – 'III',** forming an integral part of this Report.

The Secretarial Auditor's Report for the financial year ended March 31, 2026, does not contain any qualification, reservation, adverse remark, or disclaimer.

32. COST RECORDS AND COST AUDIT

The provisions of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, are not applicable to the Company for the financial year ended March 31, 2026. Accordingly, the Company is not required to maintain cost records or undergo a cost audit for the year under review.

33. AUDIT TRAIL (Edit Log)

Pursuant to the Section 134(5) and relevant rules under the Companies Act, 2013, the Directors confirm that:

- The Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026, which features an inbuilt audit trail (edit log) facility.
- The audit trail facility operated continuously throughout the financial year for all relevant transactions recorded in the software.
- There has been no tampering with the audit trail feature during the period under review.
- The audit trail logs have been preserved by the Company in accordance with the statutory requirements for the retention of records.

34. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government under Section 118(10) of the Companies Act, 2013, specifically SS-1 (Secretarial Standard on Meetings of the Board of Directors) and SS-2 (Secretarial Standard on General Meetings

35. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate internal control framework commensurate with the size of its business and the nature of its operations. These systems ensure that the resources of the Company are utilized efficiently and effectively to ensure that:

- Assets are safeguarded and protected against loss from unauthorized use or disposition.
- All significant transactions are authorized, recorded, and reported correctly.
- Financial and other accounting records are reliable for preparing financial information and maintaining accountability of assets.

The internal control systems are supplemented by an extensive internal audit program, continuous reviews by the Management, and documented corporate policies, guidelines, and procedures.

Pursuant to the provisions of Section 138 of the Companies Act, 2013, read with Rule 13 of the Companies (Accounts) Rules, 2014, Mr. V B Rathi, Chartered Accountant, serve as the Internal Auditors of the Company. They carried out the internal audit for the financial year ended March 31, 2026, and submitted their periodic reports to the Company. During the year, the Audit Committee reviewed and took note of these reports on a regular basis.

Based on the recommendation of the Audit Committee, the Board of Directors, at their meeting held on April 28, 2026, re-appointed, Mr. V B Rathi, Chartered Accountant, as the Internal Auditors of the Company for the financial year 2026-27.

36. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

Pursuant to Section 134(5)(e) of the Companies Act, 2013, the Company has in place an adequate Internal Financial Controls framework commensurate with the size, scale, and complexity of its operations. This framework comprises robust policies and procedures designed to ensure:

- The proper, orderly, and efficient conduct of the Company's business.
- The safeguarding of its corporate assets and resources.
- The prevention and detection of frauds, errors, and irregularities.
- The accuracy and completeness of the accounting and financial records.
- The timely preparation and presentation of reliable financial information.

The Company has adopted accounting policies that strictly align with the applicable Accounting Standards and the provisions of the Act. During the financial year under review, such controls were tested and no reportable material weaknesses in design or operation were observed.

37. RISK MANAGEMENT

Pursuant to the provisions of Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented a robust Business Risk Management framework. This framework is designed to proactively identify, assess, monitor, and mitigate various elements of business risks that may threaten the operations or the going concern status of the Company. The risk management framework defines the risk management approach of the Company and outlines institutional mechanisms for;

- Periodically reviewing external and internal business risk factors.
- Formulating risk mitigation strategies and establishing defensive internal controls.
- Maintaining clear documentation and structured reporting protocols for key risk parameters.

The framework utilizes diverse risk evaluation methodologies to analyse exposure trends and potential operational impacts. This assessment is conducted at both the enterprise level and across individual business segments to safeguard stakeholder value.

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

The Company is committed to providing a safe, secure, and conducive work environment that is free from discrimination and harassment, including sexual harassment. In line with this commitment, the Company has implemented a comprehensive Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at the Workplace.

The Company has duly constituted an Internal Committee (IC) across its workplaces in strict compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the rules framed thereunder. The policy is accessible to all employees and applies universally, regardless of employment nature, to protect individuals against harassment.

Pursuant to the requirements under Rule 8(5)(x) of the Companies (Accounts) Rules, 2014, the details of complaints received and resolved during the financial year ended March 31, 2026, are set out below:

- Number of complaints filed during the financial year : Nil
- Number of complaints disposed of during the financial year : Nil
- Number of complaints pending as on the end of the financial year : Nil.

39. COMPLIANCE WITH THE PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961

Pursuant to the provisions of the Companies (Accounts) Rules, 2014 (as amended from time to time), the Board of Directors affirms that the Company has complied with all applicable statutory provisions relating to the Maternity Benefit Act, 1961, and the rules framed thereunder.

During the financial year under review, no material complaints or instances of non-compliance were recorded under the provisions of the said Act.

40. **ENVIRONMENT AND SAFETY**

The Company is committed to maintaining high standards of Safety, Health, and Environmental (SHE) performance across all its activities, products, and services.

To achieve this, the Company continuously refines its operational processes, adopts safer technologies, and invests in process automation to minimize human error and enhance workplace safety. Upgradation and monitoring of the safety management systems are carried out on a continuous basis to ensure a safe, healthy, and sustainable work environment for all stakeholders.

41. **INDUSTRIAL RELATIONS**

The industrial relations of the Company remained peaceful, cordial, and harmonious throughout the financial year ended March 31, 2026. The Directors place on record their deep appreciation for the dedication, commitment, and cooperation extended by employees at all levels.

42. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the relevant data and particulars concerning conservation of energy, technology absorption, and foreign exchange earnings and outgo for the financial year ended March 31, 2026, are detailed below;

Conservation of Energy:

(a) **Steps taken or impact on conservation of energy:** The Company maintains an ongoing commitment to energy efficiency across all administrative and operational levels. During the year under review, the Company optimized its power utilization by upgrading to energy-efficient LED lighting, optimizing load configurations of existing machinery, and enforcing strict schedules for peak-load operations to avoid wastage.

(b) **Steps taken by the Company for utilizing alternate sources of energy:** The Company continuously reviews opportunities to integrate clean energy into its infrastructure. While the primary energy demands are met through the local utility grid, the Company is exploring feasible options for installing commercial solar rooftops or procuring green energy.

(c) **Capital investment on energy conservation equipment:** No standalone or material capital expenditure was directed specifically toward specialized energy-saving equipment during the financial year under review. Minor costs were absorbed under routine repairs, maintenance, and facility upgrades.

Technology Absorption:

(a) **Efforts made towards technology absorption:** The Company continues to operate using advanced, modern, and proven indigenous operational technologies. Processes are continuously updated through software upgrades, automated tracking systems, and regular technical training workshops for operational personnel to maximize resource yields and minimize cycle times.

(b) **Benefits derived like product improvement, cost reduction, or product development:** The steady absorption and monitoring of day-to-day process automation have successfully minimized operational bottlenecks, reduced administrative overheads, enhanced structural accuracy in data reporting, and created a safer operating workflow for employees.

(c) **Imported Technology:** The Company has not imported any specialized foreign technology or machinery during the last 3 (three) financial years.

(d) **Expenditure incurred on Research and Development (R&D):** No separate, dedicated capital or revenue expenditure was allocated exclusively to a formalized Research and Development wing during the financial year ended March 31, 2026. Routine product improvement and quality checks are conducted internally as part of regular manufacturing and operations.

Foreign Exchange Earnings and Outgo:

The total actual foreign exchange earnings and outgo recorded on a cash basis during the current and preceding financial years are as follows:

Particulars	FY 2025-26 (Rs. In lakhs)	FY 2024-25 (Rs. In lakhs)
Foreign Exchange Earnings (Inflow)	278.07	2,825.12
Foreign Exchange Outgo (Outflow)	Nil	125.29

43. **PUBLIC DEPOSITS**

During the financial year under review, the Company has not accepted or renewed any deposits falling within the purview of Chapter V of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014. No public deposits were outstanding or remained unpaid or unclaimed at the beginning or end of the financial year ended March 31, 2026.

44. **DETAIL OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016**

During the financial year under review, no application was made and no corporate insolvency resolution proceedings are pending against or by the Company under the Insolvency and Bankruptcy Code, 2016, before the National Company Law Tribunal (NCLT).

45. **DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE-TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTION**

During the financial year under review, the Company has not entered into any One-Time Settlement (OTS) with any Bank or Financial Institution. Consequently, the disclosure of the difference between the valuation amount at the time of the settlement and the valuation while availing the loan is not applicable.

6. **DISCLOSURE OF AGREEMENTS:**

The disclosures required under Para F of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company. During the financial year ended March 31, 2026, the Company has not entered into any such agreements as specified under the said regulations

47. **ACKNOWLEDGEMENT AND APPRECIATION**

Your Directors would like to acknowledge and place on record their sincere appreciation to all Stakeholders, clients, Financial Institutions, Banks, Central and State Governments, the Company's valued Investors and all other Business Partners, for their continued co-operation and support extended during the year.

Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to promote its development.

For and on behalf of the
Board of Directors of Lakhotia Polyesters (India) Limited

sd/-	**sd/-**
Jayshri Lakhotiya	**Madhusudan Lakhotiya**
Director	**Managing Director**
DIN: 05357609	**DIN: 00104576**

Place: Nashik
Dated: July 17, 2026

Registered office
158/159 Samartha Sahkari Audyogik Vasahat Ltd.,
Pimpal- Gaon (Baswant), Tal Niphad,
District Nashik, Maharashtra - 422209

ANNEXURE I

REPORT ON CORPORATE SOCIAL RESPONSIBILITY FOR FY 2025-26

Lakhotia Polyesters (India) Limited (hereinafter referred to as 'the Company') believes in integrating its business model with the social welfare of people and society in which it operates.

1. **A brief outline on CSR policy of the Company:**

   The Corporate Social Responsibility (CSR) Policy of your Company outlines multiple focus areas covered under Schedule VII of the Companies Act, 2013. The primary objective of this policy is to consistently contribute to initiatives that benefit society and the community at large. It charts out a clear mechanism for undertaking CSR activities, actively engages with key stakeholders on social development projects, and ensures that all activities undertaken by the Company are perfectly aligned with the applicable legal framework

2. Composition of CSR Committee: In terms of Section 135(9) of the Companies Act, 2013, the requirement for constitution of a Corporate Social Responsibility Committee is not applicable if the CSR expenditure obligation does not exceed ₹50 Lakhs. Since the CSR expenditure obligation of the Company did not exceed the statutory threshold of ₹50 Lakhs, the Company was not required to constitute a CSR Committee, and consequently, no CSR Committee was formed. Accordingly, the Board of Directors directly discharged all the functions and duties of a CSR Committee during the financial year under review

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company www.lakhotiapoly.in

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 ; During the financial year not applicable to the Company.

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

6. Average net profit of the Company as per Section 135(5): (In lakh)

Particulars	**31-Mar-25**	**31-Mar-24**	**31-Mar-23**
Profit under section 198	805.96	39.34	-179.71

   Average net profit: Rs. 220 lakh

7. (a) Two percent of the average net profit of the Company as per Section 135 (5): Rs.4.39 lakh

   (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil

   (c) Amount required to be set off for the financial year, if any: Rs. Nil

   (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 4.39 lakh

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

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

   (b) Details of CSR Amount spent against ongoing projects for the Financial Year: **Not Applicable**

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr no	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No)**	**Location of the project.**		**Amount spent for the project (in Rs.)**	**Mode of implemen-tation - Direct (Yes/ No)**	**Mode of implementation - Through implementing agency**	
				State	**District**			**Name**	**CSR registration number**
(1)	PRASHURAM VED VIDYA PRATISHTHAN SAMITI	(ii)	NO	MP	UJJAIN	439000/-	NO	PRASHURAM VED VIDYA PRATISHTHAN SAMITI	CSR000 82470

(d) Details of implementing Agency –

(e) Amount spent in Administrative Overheads - Nil

(f) Amount spent on Impact Assessment, if applicable - Nil

(g) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs. 4.39 lacs

(h) Excess amount for set off, if any: Rs. Nil

Sr. No.	Particular	Amount (in lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	4.39
(ii)	Total amount spent for the Financial Year	4.39
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

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

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

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset-wise details): NA
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).: Nil

For and on behalf of the Board of Directors of
Lakhotia Polyesters (India) Limited

Sd/-
Madhusudan Lakhotiya
Managing Director
DIN: 00104576

Place: Nashik
Dated: July 17, 2026

Registered Office :
158/159, Samartha Sahkari Audyogik Vasahat Ltd.,
Pimpal – Gaon (Baswant), Tal Niphad, Dist. Nashik, Maharashtra - 422209

ANNEXURE II

PARTICULARS OF EMPLOYEES

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel]

a) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

<table>
<tr><th>Sr No.</th><th>Requirements</th><th colspan="3">Disclosure</th></tr>
<tr><td rowspan="3">1.</td><td rowspan="3">The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year</td><td colspan="2">Name of Director</td><td>Ratio</td></tr>
<tr><td colspan="2">Mr. Madhusudan Lakhotiya (Managing Director)</td><td>57.44%</td></tr>
<tr><td colspan="2">Mrs. Jayshri Lakhotiya (Chairman & Executive Director)</td><td>41.49%</td></tr>
<tr><td colspan="5">Note: Median remuneration for the financial year 2025-26 is Rs 18.80 lacs.</td></tr>
<tr><td rowspan="4">2.</td><td rowspan="4">The percentage increase in the remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year</td><td colspan="2">Mr. Madhusudan Lakhotiya (Managing Director)</td><td>12.50%</td></tr>
<tr><td colspan="2">Mrs. Jayshri Lakhotiya (Chairman & Executive Director)</td><td>30.00%</td></tr>
<tr><td colspan="2">Mr. Vivek Rathi (CFO)</td><td>No Change</td></tr>
<tr><td colspan="2">Ms. Shannu Chaturvedi (Company Secretary)</td><td>No Change</td></tr>
<tr><td rowspan="2">3.</td><td rowspan="2">The percentage increase in the median remuneration of employees in the financial year</td><td>2025-26</td><td>2024-25</td><td>Increase (%)</td></tr>
<tr><td>12,41,150</td><td>11,69,600</td><td>6.12%</td></tr>
<tr><td>4.</td><td>The number of permanent employees on the rolls of the Company</td><td colspan="3">The Company has 04 permanent employees as on March 31, 2026</td></tr>
<tr><td>5.</td><td>Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration</td><td colspan="3"></td></tr>
<tr><td>6.</td><td>Affirmation that the remuneration is as per the remuneration policy of the Company</td><td colspan="3">Yes, the remuneration is as per the Remuneration Policy of the Company.</td></tr>
</table>

By Order of the Board of Directors of
Lakhotia Polyesters (India) Limited

sd/-	**sd/-**
Jayshri Lakhotiya	**Madhusudan Lakhotiya**
Director	**Managing Director**
DIN: 05357609	**DIN: 00104576**

Place: Nashik
Dated: July 17, 2026

Registered office
158/159 Samartha Sahkari Audyogik Vasahat Ltd.,
Pimpal- Gaon (Baswant), Tal Niphad,
District Nashik, Maharashtra - 422209

Annexure – III

Form No. MR-3

Secretarial Audit Report for the financial year ended on March 31, 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
Lakhotia Polyesters (India) Limited
[CIN: L17120MH2005PLC155146]
158/159 Samartha Sahkari Audyogik Vasahat Ltd.,
Pimpal- Gaon (Baswant), Tal Niphad,
District Nashik, Maharashtra – 422209

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Lakhotia Polyesters (India) Limited 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, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management.

We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2026 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

1. The Companies Act, 2013 (the Act) and the Rules made there-under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there-under;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there-under;
4. Foreign Exchange Management Act, 1999 and the Rules

   and Regulations made there-under to the extent applicable.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company;
   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015;
6. The Management has Identified and confirmed the following laws as specifically applicable to the Company;
   a. Water (Prevention and control of Pollution) Act, 1981.
   b. Air (Prevention and Control of Pollution), Act, 1974.

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

   (a) Secretarial Standards issued by the Institute of Company Secretaries of India related to the meetings of Board of Directors and Shareholders.

   (b) The SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company and test verification on random basis carried out for compliances under other applicable Acts, Laws and Regulations to the Company.

The compliance by the Company of the applicable direct tax laws, indirect tax laws and other financial laws has not been reviewed in this Audit, since the same have been subject to review by the other designated professionals and being relied on the reports given by such designated professionals.

During the audit period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. as mentioned above.

During the audit period under review, provisions of the following regulations were not applicable to the Company;

(a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

(b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

(c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, and

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 dealing with client.

We further report that:

- The Board of Directors of the Company is duly constituted as on March 31, 2026 with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.
- Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance there was no formal system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the Meeting.
- Decisions at the meetings of Board of Directors of the Company and Committee thereof were carried out with requisite majority.
- There were few instances of delay in recording the information shared, in structured digital database maintained by the Company of sharing of UPSI during the year.

We further report that based on the information provided and representation made by the Company and also on the review of compliance reports of the respective department duly signed by the department head and Compliance Certificate(s) of the Managing Director/Company Secretary/CFO taken on record by the Board of Directors of the Company, in our opinion system and process exists in the company required to be strengthen to commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For CS Rohit Kasat & Associates
[Company Secretaries]

SD/-
ROHIT S. KASAT
M NO-41612
CP NO-25402
PR No- 7487/2025
UDIN: A041612H000811801

Place: Nashik
Dated: July 12, 2026

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
Lakhotia Polyesters (India) Limited
[CIN: L17120MH2005PLC155146]
158/159 Samartha Sahkari Audyogik Vasahat Ltd.,
Pimpal - Gaon (Baswant), Tal Niphad,
District Nashik, Maharashtra - 422209.

Our Secretarial Audit Report of even date is to be read along with this letter:

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

For CS Rohit Kasat & Associates
[Company Secretaries]

SD/-
ROHIT S. KASAT
M NO-41612
CP NO-25402
PR No- 7487/2025
UDIN: A041612H000811801

Place: Nashik
Dated: July 12, 2026

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report covers the operations and financial performance of the Company for the year ended March 31, 2026, and forms an integral part of the Annual Report.

Overview of the Economy:

The Company specializes in lacquered metallized polyester films, which find application primarily in the textile and apparel industry. The grade of coated polyester film produced is used extensively in the manufacture of metallic yarns.

The polyester film (BOPET/PET film) industry is closely linked to global economic growth, consumer spending, manufacturing activity, energy prices, and international trade. The current global economic environment presents both opportunities and challenges for manufacturers. The global economy is experiencing moderate growth, supported by resilient consumer demand in emerging markets, infrastructure investments, and continued industrial expansion in Asia.

Inflation has eased in many economies compared with previous years, although interest rates remain relatively elevated in several developed markets, influencing investment decisions. Stable economic growth supports demand for packaging, electrical insulation, industrial laminates, and specialty films. Slower growth in developed economies limits demand in mature markets but is offset by stronger consumption in Asia.

Industry, Structure & Developments:

The global polymer film industry comprises manufacturers that produce thin plastic films from polymer resins such as polyethylene (PE), polypropylene (PP), polyethylene terephthalate (PET), polyamide (PA), polyvinyl chloride (PVC), and specialty polymers. These films serve a broad range of industries, including packaging, electronics, healthcare, construction, agriculture, automotive, and renewable energy.

Polyester (BOPET) film represents one of the fastest-growing segments due to its excellent mechanical strength, thermal stability, optical clarity, and barrier properties. Packaging remains the largest end-use application, while electronics, solar energy, and electric vehicles are driving demand for higher-value specialty films.

Strategically, the Company continues to position itself for international expansion, targeting opportunities in global trade networks to diversify its geographic presence.

Operational and Financial Performance:

During the financial year 2025-26, the company navigated a shifting demand landscape, reflecting the following audited numbers:

- **Revenue from Operations:** The revenue from operations of your Company for the year ended March 31, 2026, stood at Rs. 1,976.00 Lakhs (₹19.76 Crore).
- **Net Profit:** Your Company has earned a net profit of Rs. 238.00 Lakhs (₹2.38 Crore) during the year under review.
- **Net Profit Margin:** The net profit margin achieved by the company for the financial year was 12.04%.

Risk and Concerns:

The largest component of costs involved in making flexible packaging film is attributable to raw materials. Given the volatile trend in polyesters and demand for polyesters for competing applications, the pressure on input costs can be expected to fluctuate. Supply chain disruptions, raw material pricing dynamics, and broader macroeconomic cost inflation remain key areas of active management observation.

Adequacy of Internal Control System:

The Company has adequate internal control systems for business processes in respect of all operations, financial reporting, compliance with laws and regulations, etc. The management information system forms an effective and sound tool for monitoring and controlling all operating parameters. Regular internal audits ensure that responsibilities are executed effectively. The Audit Committee reviews the adequacy of internal controls on a regular basis.

Human Resource Development:

The Company recognizes that its human resource is its primary strength in realizing its organizational goals and objectives. Employee upskilling and a supportive environment remain central pillars of our operational blueprint

Cautionary Statement:

Statements in this Management Discussion and Analysis report describing the Company’s outlook, projections, estimates, expectations, or predictions may be “Forward-looking Statements” within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied based on global economic shifts, raw material availability, and statutory updates.

By Order of the Board of Directors of Lakhotia Polyesters (India) Limited

Jayshri Lakhotiya
Director
DIN: 05357609

Madhusudan Lakhotiya
Managing Director
DIN: 00104576

Place: Nashik
Dated: July 17, 2026

REPORT ON CORPORATE GOVERNANCE

1. **Company's Philosophy on Corporate Governance:**

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company has a strong legacy of fair, transparent and ethical governance practices. Our actions are governed by our values and principles, which are reinforced at all levels of the organisation. These principles have been and will continue to be our guiding force in future.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

The Company is committed to set the highest standards in governance and business ethics.

2. **Board of Directors Composition:**

As on March 31, 2026, the Company's Board of Directors comprises of 6 (Six) Directors. Out of whom 1 (one) is Managing Director, 2 (Two) Executive Directors (EDs), 3 (Three) Non-Executive Independent Directors. The composition of the Board is in compliance with the requirements of the Companies Act, 2013 (Act) and Regulation 17 of the Listing Regulations. The profile of the Directors can be accessed on the Company's website at www.lakhotiapoly.in.

These Directors bring in a wide range of skills and experience to the Board. The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board periodically evaluates the need for change in its composition and size.

The Names and categories of the Directors on the Board, the number of Directorships and Committee positions held by them in other companies as on March 31, 2026 are as follows:

Name of Director	DIN	Category of Directorship	*Number of Directorship	**Number of Committee positions held	
				Chairman	Member
Mrs. Jayshri Lakhotiya	05357609	Chairman & Executive Director	Nil	Nil	01
Mr Madhusudan Lakhotiya	00104576	Managing Director	Nil	Nil	01
Mr. Ashok Kumar Khajanchi	01532044	Executive Director	Nil	Nil	Nil
Ms. Vashishtha Mohan Pandiya	08475997	Non- Executive Independent Director	Nil	01	01
Mr. Nikunj Shrawan Bihani	09773768	Non- Executive Independent Director	Nil	01	Nil
Kanhaiya Lal Sharma	09773823	Non- Executive Independent Director	Nil	Nil	02

* Excludes Directorship in the Company, alternate Directorships and Directorships in private Companies, foreign companies and companies under Section 8 of the Companies Act, 2013

** Represents Chairmanships/Memberships of Audit Committee and Stakeholders Relationship Committee in Indian public limited companies (excluding of Company) as per Regulation 26(1)(b) of the Listing Regulations.

Notes:

a. Mr. Madhusudan Lakhotiya (DIN: 00104576), Mrs. Jayashri Lakhotiya (DIN: 05357609), Directors of the Company, are related with each other (inter-se) within the meaning of the Listing Regulations.

b. None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as prescribed in Listing Regulations) across all the companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1) (b) of Listing Regulations. The necessary disclosures regarding Committee positions have been made by the Directors.

c. None of the Directors held Directorship in more than 20 Indian companies including 10 public limited companies. None of the Directors held Directorship in more than 7 (seven) listed companies.

d. None of the Independent Directors is a Whole–Time Director in any other Company. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors is of the opinion that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended by MCA Notification dated 22nd October 2019 regarding the requirement relating to the enrolment in the Data Bank created by MCA for IDs, have been received from all the IDs.

e. Mr. Madhusudan Lakhotiya, Managing Director is not an Independent Director of any other listed Company.

f. All Independent Directors of the Company have been appointed as per the provisions of the Companies, Act 2013 (‘the Act’) and Listing Regulations. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company’s website at www.lakhotiapoly.in

g. Shares held by Director as on March 31, 2026.

Name of the Director	Category/Nature of Directorship	No. of shares held
Mrs. Jayshri Lakhotiya	Executive Director -Chairperson	3,34,632
Mr. Madhusudan Lakhotiya	Managing Director	46,67,745
Mr. Ashok Kumar Khajanchi	Executive Director	Nil
Ms. Vashishtha Mohan Pandiya	Non-Executive, Independent Director	Nil
Mr. Nikunj Shrawan Bihani	Non-Executive, Independent Director	Nil
Mr. Kanhaiya Lal Sharma	Non-Executive, Independent Director	Nil

h. None of the Directors hold Directorship in other listed entities as on March 31, 2026.

Term of Board Membership

The Nomination & Remuneration Committee (NRC) determines the appropriate characteristics, skills and experience required for the Board as a whole and for individual Members. The Board Members are expected to possess the required qualifications, integrity, expertise and experience for the position. They also possess expertise and insights in sectors/areas relevant to the Company and have ability to contribute to the Company’s growth.

The Board has identified the following core skills/expertise/ competencies as required in the context of the businesses and sectors of the Company for its effective functioning which are currently available with the Board.

Understanding of business dynamics, industry verticals including its entire value chain, experience in corporate strategy, planning and regulatory jurisdictions, finance, tax, risk management, legal compliances, corporate governance, human resources, corporate social responsibility and Leadership experience in managing companies and associations including general management.

The Board is satisfied that all the Directors of the current composition of the Board has the aforesaid core skills/ expertise/ competencies. This reflects an appropriate mix of knowledge, skills, experience, expertise, diversity and independence. The Board provides leadership, communication, motivation, strategic guidance, an objective and independent view to the Company’s management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

3. Board Meetings and participation thereat:

The Board/Committee Meetings are pre-scheduled, and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to help them plan their schedule and ensure meaningful participation in the Meetings.

The agenda for each Meeting, along with detailed notes, is circulated in advance to the Directors. Only in case of urgent business, if the need arises, the Board’s/Committee’s approval is taken by passing resolutions through circulation or by calling Board/Committee Meetings at short notice, as permitted by law.

Six (6) Board Meetings were held during the year under review and the gap between the two consecutive Meetings did not exceed 120 days. The said Meetings were held on May 28, 2025, July 24, 2025, August 21, 2025, November 12, 2025, December 12, 2025, and January 19, 2026. The necessary quorum was present for all the Meetings. Attendance of Directors at the aforesaid Meetings:

Name of the Director	Category of Directorship	No. of Board Meetings attended during FY 2025-26	Whether attended last AGM held on September 23, 2025
Mrs. Jayshri Lakhotiya	Chairman and Executive Director	6	Yes
Mr. Madhusudan Lakhotiya	Managing Director	6	Yes
Mr. Ashok Kumar Khajanchi	Executive Director	6	Yes
Mr. Vashishtha Mohan Pandiya	Non- Executive Independent Director	6	Yes
Mr. Nikunj Shrawan Bihani	Non- Executive Independent Director	6	Yes
Mr. Kanhaiya Lal Sharma	Non- Executive Independent Director	6	Yes

The information required under Part A of Schedule II of Listing Regulations is being made available to the Board periodically.

The Company has a compliance monitoring system which provides assurance to the Management and the Board of Directors regarding effectiveness of timely compliances.

The important decisions taken at Board/Committee Meetings are communicated to the concerned departments/divisions promptly. An action taken/status report on the decisions of the previous Meeting(s) is placed at the next Meeting of the Board for information and further recommended action(s), if any.

Meeting of Independent Directors

During the year under review, one Meeting of the Independent Directors was held on January 19, 2026 without the presence of other Directors and Members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors, the Managing Director, the Chairman and the Board as a whole considering the views of executive Directors and non-executive Directors. They also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

Details of familiarisation programmes for Directors including Independent Directors:

The Company at its various Meetings held during the financial year 2025-26 has familiarized the Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc. The Independent Directors have been provided with necessary documents, reports and internal policies to familiarise them with the Company's policies, procedures and practices.

Quarterly updates on relevant statutory changes and judicial pronouncements encompassing important amendments are briefed to the Directors. The details of such Familiarization Programmes for Independent Directors are disclosed on the website of the Company at www.lakhotiapoly.in

Chart/Matrix setting out the skills/experiences/ competencies of the Board of Directors

In compliance with the provisions of the SEBI Listing Regulations, the Board of Directors has identified the following skills/ expertise/competencies with reference to its Business and Industry that are fundamental for the effective functioning of the Company.

1.Leadership 2. Industrial Knowledge 3. Corporate Strategy & Business Development 4. Human Resources/ Industrial Relations 5. Finance, Accounting & Taxation 6. Technical expertise 7. Quality Assurance 8. Risk Management & Mitigation

The Directors appointed on the Board are from diverse backgrounds and possess core skills/expertise/ competencies with regard to the industries/fields from where they have come.

Knowledge Sharing:

Board Members are kept informed about any material development/business update through various modes viz. e-mails, teleconference, etc. from time to time.

Code of Conduct:

The Board of Directors has laid down a 'Code of Conduct' for all the Board Members and Senior Management Personnel of the Company. The 'Code of Conduct' has also been posted on the website of the Company and all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2025-26

Members of the Board and Senior Management Personnel have affirmed compliance as per Clause D of Schedule V of the Listing Regulations with the Code of Conduct applicable to them during the year ended March 31, 2026. A certificate by the Managing Director on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management is reproduced at the end of this Report and marked as **Annexure A.**

4. Committees of the Board:

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval, as required. To enable better and more focused attention on the affairs of the Company, the Board has delegated matters to the Committees of the Board set up for the purpose. Considering the needs of the Company, there are four statutory Board Committees as on March 31, 2026. Details are as follow:

- Audit Committee
- Stakeholders Relationship Committee
- Nominations & Remuneration Committee

Audit Committee:

The composition of the Audit Committee as on March 31, 2026 as well as details of Meetings of Audit Committee held and attended by each Member during the financial year 2025-26 is as follows:

Name of Directors	Designation	Designation and category	No. of Meetings Held	No. of Meetings Attended
Mr. Nikunj Shrawan Bihani	Chairperson	Non-Executive- Independent Director	5	5
Mr. Vashishtha Mohan Pandiya	Member	Non-Executive- Independent Director	5	5
Mr Kanhaiya Lal Sharma	Member	Non-Executive- Independent Director	5	5
Mr Madhusudan Lakhotiya	Member	Managing Director	5	5

All the Members of the Audit Committee are financially literate and have relevant accounting and financial management expertise as required under the Act and Regulation 18 of the Listing Regulations.

Ms. Shannu Chaturvedi, Company Secretary of the Company, acted as the Secretary of the Audit Committee.

The Members of the Audit Committee met 5 (Five) times during the financial year 2025-26 on May 28, 2025, July 24, 2025, August 21, 2025, November 12, 2025 and January 19, 2026. The necessary quorum was present for all the Meetings.

The terms of reference, role and scope of the Audit Committee are in line with those prescribed under the provisions of provisions of Section 177 of the Companies Act, 2013 (the Act) and the Listing Regulations. The role and responsibilities of the Audit Committee inter alia, include the following:

- Oversight of the Company's Financial Reporting Processes and Financial Statements of the Company and its material subsidiary.
- Recommend to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees and terms of appointment.
- Recommend to the Board, the appointment, re-appointment and, if required, the replacement or removal of the internal auditor and the fixation of audit fees and terms of appointment.
- Appointment of Cost Auditor.
- Evaluate on a regular basis the adequacy of risk management systems.
- Review with the management, external and internal auditors and outsourced internal audit firms, the quality, adequacy and effectiveness of internal control systems and any significant deficiencies or material weakness in the internal controls.
- Review the effectiveness of the system for monitoring compliance with applicable laws and regulations.
- To review the functioning of the Whistle Blower mechanism.
- To approve all related party transactions in accordance with the Act.
- Subsidiary Company oversight.

The Internal and Statutory Auditors discuss their audit findings and updates the Committee and submit their views directly to the Committee. Separate discussions are held with the Internal Auditors to focus on compliance issues and to conduct detailed reviews of the processes and internal controls in the Company.

The minutes of the Meetings of the Committee are placed before and noted by the Board. All the recommendations made by the Audit Committee during the year under review were accepted by the Board.

Mr. Nikunj Shrawan Bihani, Chairman of the Audit Committee was present at the last Annual General Meeting held on Tuesday, September 23, 2025.

Stakeholders Relationship Committee (SRC)

The composition of the SRC as on March 31, 2026 as well as details of Meetings of SRC held and attended by each Member during the financial year 2025-26 is as follows:

Name of Directors	Designation	Designation and category	No. of Meetings Held	No. of Meetings Attended
Mr. Vashishtha Mohan Pandiya	Chairperson	Non-Executive, Independent Director	4	4
Mr. Kanhaiya Lal Sharma	Member	Non-Executive, Independent Director	4	4
Mrs. Jayshri Lakhotiya	Member	Executive Director	4	4

The Members of the SRC met 4 (four) times during the financial year 2025-26 on May 28, 2025, July 24, 2025, November 12, 2025 and January 19, 2026. The necessary quorum was present for all the meetings.

Ms. Shannu Chaturvedi , Company Secretary of the Company, acted as the Secretary of the SRC and attended the Meetings as an invitee.

Dedicated email ID for Investor services is admin@lgroup.co.in

The role of the Committee is to consider and resolve the grievances of the security holders of the Company, including complaints relating to transfer and transmission of securities, non-receipt of dividends, non-receipt of Annual Reports and such other grievances as may be raised by the security holders from time to time.

The status of investor complaints received during the year under review:

- Complaints received by the Company and its RTA : Nil
- Complaints resolved : Nil
- Complaints pending as on March 31, 2026 : Nil

The minutes of the Meetings of the Committee were placed before and noted by the Board.

Mr. Vashishtha Mohan Pandiya, Chairman of the SRC was present at the last Annual General Meeting held on Tuesday, September 23, 2025.

Nominations and Remuneration Committee (NRC)

The composition of the NRC as on March 31, 2026 as well as details of Meetings of NRC held and attended by each Member during the financial year 2025-26 is as follows:

Name of Directors	Designation	Designation and category	No. of Meetings Held	No. of Meetings Attended
Mr. Vashishtha Mohan Pandiya	Chairperson	Non-Executive, Independent Director	1	1
Mr Kanhaiya Lal Sharma	Member	Non-Executive, Independent Director	1	1
Mr Nikunj Shrawan Bihani	Member	Non-Executive, Independent Director	1	1

The Members of the NRC met 1 (once) during the financial year 2025-26 i.e. on August 21, 2025. The necessary quorum was present for the Meeting.

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II of Listing Regulations, the role of the Nomination and Remuneration Committee of the Company, inter-alia, is as under:

Formulation of the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board a Policy, relating to the remuneration of the Directors, Key Managerial Personnel, and Senior Management Personnel.

➢ Evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.

- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on diversity of Board of Directors.
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of Directors their appointment and removal.
- Recommending whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors. Recommending appointment of senior management and remuneration payable to them.

The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has adopted the Policy on Board Diversity and Director Attributes.

The Company does not have any Employee Stock Option Scheme.

Performance Evaluation criteria for Independent Directors Performance evaluation criteria for independent Directors as approved by Nomination and Remuneration Policy is contained in the Nomination and Remuneration Policy which is available on the website of the Company at www.lakhotiapoly.in

The minutes of the Meetings of the Committee are placed before and noted by the Board. All the recommendations made by the Committee during the year under review were accepted by the Board.

Mr. Vashishtha Mohan Pandiya, Chairman of the NRC was present at the last Annual General Meeting held on Tuesday, September 23, 2025 to answer the queries of the shareholders.

Remuneration to Managing Director:

The details of remuneration and perquisites paid and/or value calculated as per the Income Tax Act, 1961 to the Managing Director for the financial year 2025-26 are as under: -

Name of the Managing Director	Salary/ Deductions as per Income Tax Act
Mr. Madhusudan Lakhotiya	10,80,000
TDS	1,08,000

Remuneration to other Directors:

The Company pays remuneration to other Executive Directors and sitting fees to Non-Executive Directors for attending Meetings of the Board and Committee. The details of remuneration and sitting fees paid to the Directors other than Managing Director during the financial year 2025-26 are as under:

Name of the Director	Category of Director	Amount (In Rs.)
Mrs. Jayshri Lakhotiya	Chairman and Executive Director	7,80,000
Mr. Madhusudan Lakhotiya	Managing Director	10,80,000
Mr. Ashok Kumar Khajanchi	Executive Director	20,000
Mr. Vashishtha Mohan Pandiya	Non- Executive Independent Director	-
Mr. Nikunj Shrawan Bihani	Non- Executive Independent Director	-
Mr. Kanhaiya Lal Sharma	Non- Executive Independent Director	-

No commission was paid to the Directors during the FY 2025-26.

None of the Independent Director had any pecuniary relationship or transactions with the Company other than the aforesaid sitting fees received by them.

Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company is posted on Company's website at www.lakhotiapoly.in

5. Senior Management

Following are the particulars of Senior Management as on March 31, 2026

Sr. No.	Name	Designation	Changes Since Last FY
1.	Mr. Vivek Rathi	Chief Financial Officer	No Change
2.	Ms. Shannu Chaturvedi	Company Secretary & Compliance Officer	No Change

6. **Material Subsidiary Company:**

The Company does not have any Material Subsidiary as on March 31, 2026.

7. **Prevention of Insider Trading**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted the Code of Practise and Procedures for Fair Disclosures of UPSI and for Prevention of Insider. All the Promoters, Directors, Employees of the Company and its material subsidiaries, who are Designated Persons, and their Immediate Relatives and other Connected Persons such as auditors, consultants, bankers, etc., who could have access to the unpublished price sensitive information of the Company, are governed under this Code.

Ms Shannu Chaturvedi is the 'Compliance Officer' in terms of this Code.

8. **General Body Meetings:**

(a) Details of the date, location and time, where last three Annual General Meetings (AGM) and Extra Ordinary General Meetings (EGM) held and the special resolutions passed thereat are as follows:

Meeting	Day, Date and Time	Venue	Business
EGM	Friday, February 24, 2023 at 11:00 A.M.	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") deemed to be at the Registered Office at 158/159 Samartha Sahkariaudyogik Vasahat Ltd., Pimpal- Gaon (Baswant), Tal Niphad, Nashik- 422209	• Appointment of Mr Nikunj Shrawan Bihani as an Independent Director of the Company. • Appointment of Mr Kanhaiya Lal Sharma as an Independent Director of the Company.
March 31, 2023 (FY 2022-23)	Monday, September 23, 2023 2:30 P.M	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") deemed to be at the Registered Office at 158/159 Samartha Sahkariaudyogik Vasahat Ltd., Pimpal- Gaon (Baswant), Tal Niphad, Nashik- 422209	• Reappointment of Mr Madhusudan Lakhotiya as the Managing Director of the Company. • Increase in the remuneration of Ms Jayshri Lakhotiya, Executive Director of the Company
March 31, 2024 (FY 2023-24)	Friday, September 26, 2024 at 3:30 P. M.	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") deemed to be at the Registered Office at 158/159 Samartha Sahkariaudyogik Vasahat Ltd., Pimpal- Gaon (Baswant), Tal Niphad, Nashik- 422209	Appointment of Mr Vashishtha Mohan Pandiya as an Independent Director of the Company
March 31, 2025 (FY 2024-25	Tuesday, September 23 2025 3:30 P.M.	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") deemed to be at the Registered Office at 158/159 Samartha Sahkariaudyogik Vasahat Ltd., Pimpal- Gaon (Baswant), Tal Niphad, Nashik- 422209	Nil

(b) Postal Ballot

(i) Details of special resolutions passed by postal ballot: During the year under review, no special resolution was passed by means of Postal Ballot.

(ii) Details of Voting Pattern: Not Applicable

(iii) Person who conducted the aforesaid postal ballot exercise: Not Applicable

(iv) Whether any special resolution is proposed to be conducted through postal ballot: No

In compliance with Regulation 44 of the Listing Regulations and Sections 108, 110 and other applicable provisions of the Act, read with applicable Rules, the Company provides an electronic voting facility to all its shareholders, to enable them to cast their votes electronically. The Company engages the services of CDSL for the purpose of providing e-voting facility to all its shareholders.

The Company dispatches the notices of General Meetings/Postal Ballot to its shareholders whose names appear on the Register of Members/list of beneficiaries as on a cut-off date in electronic form to the e-mail IDs registered with the Depository Participants (DPs)/RTA.

9. Disclosures:

a. There are no material related party transactions during the year that have conflict with the interest of the Company. Transactions entered with related parties during the financial year were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company.

b. The Board has received disclosures from Key Managerial Personnel and Senior Management relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.

c. The Company has generally complied with all the requirements of the listing agreements with the stock exchanges as well as regulations and guidelines of SEBI. Details of the non-compliance and penalties during the last three financials year are as under;

Sr. No.	Year	Amount of Penalty	Reason	Authority	Remedial Actions
1.	2024-2025	5,42,000	Composition of Board of Directors	BSE Limited	Company Filled Revised Corporate Governance Report along with the Correct details as on 10-12 2024 also the fine waiver application done by the Company 11-12-2024
2.	2024-2025	2,17,120	Composition of Audit Committee.	BSE Limited	Company Filled Revised Corporate Governance Report along with the Correct details as on 10-12-2024 also the fine waiver application done by the Company 11-12-2024
3.	2024-2025	2,17,120	Composition of Nomination and Remuneration Committee	BSE Limited	Company Filled Revised Corporate Governance Report along with the Correct details as on 10-12-2024 also the fine waiver application done by the Company 11-12-2024
3.	2023-2024	11,800	Non-compliance of regulation 23(9) of the SEBI (LODR), 2015 for the Quarter ended September 30, 2023	BSE Limited	Fine was paid by the Company

d. The Board of Directors of the Company has adopted a Whistle Blower & Vigil Mechanism Policy for establishing a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The said policy has been posted on the Company's website at www.lakhotiapoly.in

e. The Company affirms that no employee has been denied access to the Chairman of Audit Committee of Directors.

f. All mandatory requirements as prescribed under Schedule II Listing Regulations have been complied by the Company. The status of compliance with the non-mandatory requirements, as stated under Part E of Schedule II to the Listing Regulations is as under:

- The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.
- The Internal Auditor of the Company reports to the Audit Committee.

g. The policy for determining 'material' subsidiaries is policy has been posted on the Company's website at www.lakhotiapoly.in

h. The policy on dealing with related party transactions has been posted on the Company's website at www.lakhotiapoly.in

i. Commodity price risk and hedging activity: The Company is not exposed to risk of any material commodity price fluctuation

j. Certificate has been obtained from R M Mimani & Associates, LLP, Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority the same is reproduced at the end of this report and marked as **Annexure - B.**

k. During the year there were no instances where Board had not accepted any recommendation of any Committee of the Board which is mandatorily required. Report On Corporate Governance.

l. During the year, details of fees paid/payable to the Statutory Auditors and all entities in the network firm/ network entity of which the Statutory Auditor is a part, by the Company and its subsidiaries, are given below:

Particulars	**Amount (In Rs.)**
Statutory audit	1,50,000
Other services	43,500
Out of Pocket Expenses	-
Total	**1,93,500**

m. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the aforesaid Act and the Rules framed thereunder, including constitution of the Internal Complaints Committee (ICC). The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The status of complaints as on March 31, 2026, are as under:

•Number of complaints filed during the financial year : Nil

•Number of complaints disposed of during the financial year : Nil

•Number of complaints pending as on end of the financial year : Nil

n. During the year Company has not granted any Loans and advances in the nature of loans to firms/companies in which Directors are interested.

o. The Company follows Ind AS issued by The Institute of Chartered Accountants of India and there are no qualifications in this regard from Statutory Auditors.

p. Pursuant to Regulation 17(8) of the Listing Regulations, the Managing Director & CEO and the Chief Financial Officer made a certification to the Board of Directors in the prescribed format for the year under review which has been reviewed by the Audit Committee and taken on record by the Board.

q. The Company has complied with all the requirements of Corporate Governance Report as stated under sub paras (2) to (10) of section (C) of Schedule V to the Listing Regulations.

r. The Company has adopted a Policy on Determination of Materiality for Disclosures. The same is posted on Company's website at www.lakhotiapoly.in.

s. The Company has adopted a Policy on Archival and Preservation of Documents. The same is posted on Company's website at www.lakhotiapoly.in

t. The Company is not required to adopted the Dividend Distribution Policy.

u. Terms and conditions of appointment/re-appointment of Independent Directors are available on the Company's website at www.lakhotiapoly.in

v. The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review.

w. The Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46.

x. The Company has obtained from the R M Mimani & Associates, Company Secretaries, a compliance certificate on Company's corporate governance which is attached herewith and marked as Annexure C.

y. Directors and Officers Liability Insurance: Provisions of Regulation 25(10) of the Listing Regulations, regarding Directors and Officers Liability Insurance (D & O) are not applicable to the Company.

z. There were no Agreements entered which are binding on the Company as referred under Clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

10. Means of Communication:

a. Quarterly, half yearly and Annual Financial Results are published in the Free Press Journal (English), Nav Shakti (Marathi) newspapers, submitted to the BSE Limited (BSE) as well as uploaded on the Company's website at www.lakhotiapoly.in.

b. Annual Reports: The Annual Reports are emailed/posted to Members and others entitled to receive them. The Annual Reports are also available on the Company's website at www.lakhotiapoly.in. The Notice of the AGM along with the Annual Report for FY 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories/RTA in compliance with the Act and SEBI circulars. However, Members desiring a physical copy of the Annual Report for FY 26, may either write to us or email us on admin@lgroup.co.in to enable the Company to dispatch a copy of the same. Please include details of Folio No./DP ID and Client ID and holding details in the said communication.

c. BSE Limited has provided online platform viz. BSE Corporate Compliance & Listing Centre wherein the Company submits all the compliances/disclosures to the Exchange in the SEBI prescribed format and may find at below website where its display.

BSE	https://www.bseindia.com/stock-share-price/lakhotia-polyesters-india-ltd/lakhotia/535387
Company	www.lakhotiapoly.in

d. The Company has maintained a functional website www.lakhotiapoly.in which displays official news releases.

e. The Investor Presentation on quarterly results are published on website of the Company and the website of the Stock Exchanges. Quarterly results, regulatory filings, transcripts of earnings call, Investor Relations presentations and schedules of analyst and investor interactions are available at the websites given in Clause (c) above.

f. Extensible Business Reporting Language (XBRL): XBRL is a standardized and structured way of communicating business and financial data in an electronic form. XBRL provides a language containing various definitions (tags) which uniquely represent the contents of each piece of financial statements or other kinds of compliance and business reports. BSE and NSE provide XBRL based compliance reporting featuring identical and homogeneous compliance data structures between Stock Exchanges and MCA. XBRL filings are done on BSE.

g. Complaint Redress System: A centralised web-based complaint redressal facilitation platform, i.e., SCORES, is set up by SEBI for redressal of investor grievances against listed companies. Further, BSE Limited ("BSE") have in place an Investor Services Cell for the purpose of investors who wish to directly lodge their complaints against the listed companies. Further, a common online dispute resolution portal ("ODR Portal") has also been set up by SEBI, for facilitating online conciliation and arbitration for the resolution of a dispute. The complainant can access the ODR Portal where (i) complaint is not resolved through the SCORES portal; or (ii) where complaint is not resolved through the Investor Grievance Redressal Cell of BSE.

h. Website: Comprehensive information about the Company, its business and operations, and Investor information can be viewed at the Company's website www.lakhotiapoly.in The 'Investor Relations' section serves to inform the investors by providing key and timely information like Financial Results, Annual Reports, Shareholding Pattern, etc.

11. General Shareholder Information

a. The ensuing AGM of the Company is scheduled on Monday, September 21, 2026 at 4.00 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). As required under Regulation 36(3) of Listing Regulations and Secretarial Standard-2, particulars of Directors seeking re-appointment at the AGM are given in the Annexure to the Notice of the ensuing AGM.

b. Financial Year: April 01, 2025, to March 31, 2026.

c. Dividend payment date: No Final Dividend was declared for the year, hence not applicable

d. Record date: Not applicable

e. E-Voting Dates: The cut-off date for the purpose of determining the shareholders eligible for e-Voting is Friday, September 11, 2026. The e-Voting commences on Thursday, September 17, 2026 at 9.00 a.m. (IST) and ends on Sunday, September 20, 2026 5.00 p.m. (IST).

f. Listing on Stock Exchanges: The Company's Equity Shares are listed on BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 The Company has paid the requisite Annual Listing fees to the stock exchange for the year 2025-26. None of the Company's securities have been suspended from trading.

g. Registrars to an issue and share Transfer Agents:

MUFG Intime India Private Limited
Address: C 101, 247 Park, L. B. S. Marg, Vikhroli (W), Mumbai - 400083
Tel No- 912249186270
Email id- rnt.helpdesk@in.mpms.mufg.com
Investor Grievance Email id-investor.helpdesk@in.mpms.mufg.com
Website- www.in.mpms.mufg.com

h. Share Transfer System: Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company. Ms Shannu Chaturvedi, Company Secretary and Compliance Officer is empowered to approve transfers, in addition to the powers with the Members of the Stakeholders Relationship Committee. Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 26, 2022, has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/

Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which can be requested by sending a mail to admin@lgroup.co.in and is available on the website of the Company's RTA at www.in.mpms.mufg.com It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI, vide its notification dated January 25, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

i. Distribution of Shares as on March 31, 2026:

No. of Shares held (Range)	Shareholders	% of total Shareholding	No. of Shareholders	% of Issued Shareholders
1-5000	1,93,285	1.85	1038	97.19
5001 to 10000	56,141	0.54	8	0.75
10001 to 20000	50,869	0.49	4	0.37
20001 to 30000	50,500	0.48	2	0.19
30001 to 40000	75,000	0.71	2	0.19
40001 to 50000	44,911	0.43	1	0.09
50001 to 100000	89,000	0.84	1	0.09
100001 and 999999	52,46,537	50.09	10	0.94
1000000 and above	46,67,745	44.57	2	0.19
Total	**104,73,988**	**100**	**1068**	**100.00**

j. Dematerialization of Shares as on March 31, 2026, and Liquidity.

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India, namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 100% of the Company's equity share capital are dematerialized as on March 31, 2026. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE191O01010

Particulars of Shares	Equity Shares of Rs.10/- each		Shareholders	
	Number	% of Total	Number	% of Total
Dematerialized form:	1,04,73,988	100.00	1068	100.0
CDSL (A)	1,03,30,021	95.76	893	83.61
NSDL (B)	4,43,967	4.24	175	16.39
Sub-total (A+B)	1,04,73,988	100.00	1068	100.00
Physical form (C)	-	-	-	-
Total (A+B+C)	1,04,73,988	100.00	1068	100.00
	04,73,988	**100**	**1068**	**100.00**

k. The Company has not issued any GDR's/ADR's/Warrants or any Convertible Instruments.

l. Shareholding Pattern as on March 31, 2026

Sr. No.	Category	No. of Shares	%
1	Promoters and Promoter group	77,49,261	73.99
2	Financial Institutions/ Banks	-	-
3	State Government/Government Companies/Central Government/IEPF A/c	-	-
4	Bodies Corporate/Trusts/BC-NBFC/ Escrow Account	10,04,082	9.59
5	Individuals and HUFs	17,19,170	16.41
6	FIIs/NRI/Foreign Corporate Bodies	1,475	0.01
	Total	**10,473,988**	**100.00**

m. Top 10 Shareholders of the Company as on March 31, 2026

Sr. No.	Name of the Shareholder	No. of Shares	Percentage
1	Madhusudan Shamsundar Lakhotiya	46,67,745	44.57
2	Kanchandevi S Lakhotia	11,86,624	11.33
3	Intensive Finance Private Limited	9,84,021	9.39
4	Shyamsunder D Lakhotia	8,66,884	8.28
5	Shreyans Surana	6,21,000	5.93
6	Mukesh Kumar Jain (H.U.F.)	5,60,000	5.35
7	Madhusudan Shyamsunder Lakhotia HUF	4,24,000	4.05
8	Jayshri Madhusudan Lakhotiya	3,34,632	3.19
9	Shyamsunder Dhanraj Lakhotia-HUF	2,71,376	2.59
10	Pratibha Jain	89,000	0.84

n. Currency exchange risk and hedging activity: The Company is not exposed to risk from market fluctuations of foreign exchange on import of VSAT electronics, etc.

o. Plant locations:

Location	Activity
Plot 158, 159, 160, 161, 162, Shree Samartha Sahakari Audyogik Vasahat Ltd., Films Manufacturing Pimpalgaon Baswant, Taluka, Niphad - 422 209.	Metallic Film Manufacturing, Lacquer Coated Metallic Yarn Manufacturing, Chemical Resistant
S. No. 329/2, Plot No 11 (Part) + 12+13+14 (Part), Near Rajasthani School, Malegaon, (Nashik) – 423203	Grey Fabric Manufacturing

p. Address for correspondence:

Plot 158/159
Shree Samartha Sahakari Audyogik Vasahat Ltd.,
Pimpalgaon Baswant, Taluka- Niphad, Maharashtra- 422209
Telephone: +91 2550- 252300
Email: info@lakhotiapoly.in
Website: www.lakhotiapoly.in

q. Credit Rating: Not appliable

12. E-voting

E-voting is a common internet infrastructure that enables investors to vote electronically on resolutions of companies. Investors can now vote on resolutions requiring voting through Postal Ballot as per the applicable rules and regulations without sending their votes through post. The Company will also have the E-voting facility for the items to be transacted at the ensuing AGM. The Ministry of Corporate Affairs has authorized NSDL and CDSL for setting up electronic platform to facilitate casting of votes in electronic form. The Company has made arrangement with Central Depository Services (India) Limited ("CDSL") for availing e-voting facilities.

13. Reconciliation of Share Capital Audit:

A practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued, and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

14. Transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund Rules), 2016 ('the IEPF Rules'), during the year under review, no amount of unclaimed dividend and corresponding equity shares were due to be transferred to IEPF account.

15. **Suspense Escrow Demat Account:** All equity shares of the Company were held in dematerialised form and no securities were required to be transferred to a Suspense Escrow Demat Account pursuant to the applicable SEBI circulars.

For and on behalf of the Board of Directors of
Lakhotia Polyesters (India) Limited

Sd/-
Madhusudan Lakhotiya
Managing Director
DIN: 00104576

Sd/
Jayshri Lakhotiya
Director
DIN: 05357609

Place: Nashik
Dated: July 17, 2026

Registered Office:

158/159, Samartha Sahkari Audyogik Vasahat Ltd.,

Pimpal – Gaon (Baswant), Tal Niphad

Dist. Nashik, Maharashtra - 422209

Annexure A

Declaration on Code of Conduct as required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Madhusudan Lakhotiya, Managing Director of the Company hereby declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, in respect of the financial year ended March 31, 2026.

For Lakhotia Polyesters (India) Limited

Sd/-
Madhusudan Lakhotiya
Managing Director
DIN:00104576

Place: Nashik
Dated: July 17, 2026

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,
Lakhotia Polyesters (India) Limited,
[L17120MH2005PLC155146],
158/159, Samartha Sahkari Audyogik Vasahat Ltd,
Pimpal - Gaon, (Baswant) Tal Niphad, Dist., Nashik- 422209

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Lakhotia Polyesters (India) Limited having CIN L17120MH2005PLC155146 and Registered Office at 158/159, Samartha Sahkari Audyogik Vasahat Ltd, Pimpal – Gaon, (Baswant Tal Niphad, Dist. Nashik – 422209 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in.) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 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
1	Mrs. Jayshri Madhusudan Lakhotiya	05357609	24.07.2012
2	Mr. Madhusudan Shamsundar Lakhotiya	00104576	03.09.2015
3	Mr. Ashokkumar Gulabchand Khajanchi	01532044	17.08.2016
4	Mr. Vashishtha Mohan Pandiya	08475997	31.05.2019
5	Mr. Nikunj Shrawan Bihani	09773768	16.12.2022
6	Mr. Kanhaiya Lal Sharma	09773823	16.12.2022

Ensuring the eligibility of 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 R M Mimani & Associates LLP
[Company Secretaries]
[Firm Registration No. L2015MH008300]

Ranjana Mimani
Partner
C.P. No: 4234
FCS No: 6271
PR No.: 7602/2026
UDIN: F006271H000868528

Place: Mumbai
Dated: July 17, 2026

Annexure C

Corporate Governance Compliance Certificate

To,
The Members,
Lakhotia Polyesters (India) Limited,
[L17120MH2005PLC155146],
158/159, Samartha Sahkari Audyogik Vasahat Ltd,
Pimpal - Gaon, (Baswant) Tal Niphad, Dist., Nashik- 422209

1. We have examined the compliance of conditions of Corporate Governance by **Lakhotia Polyesters (India) Limited** ("the Company") for the financial year ended March 31, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para-C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR").

Management's Responsibility

2. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 1 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of LODR) during the financial year ended March 31, 2026.

6. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For R M Mimani & Associates LLP
[Company Secretaries]
[Firm Registration No. L2015MH008300]

Ranjana Mimani
Partner
C.P. No: 4234
FCS No: 6271
PR No.: 7602/2026
UDIN: F006271H000868396

Place: Mumbai
Dated: July 17, 2026

INDEPENDENT AUDITOR'S REPORT

To

The Members of

M/S. Lakhotia Polyesters (India) Limited

Report on the Audit of Ind AS Standalone Financial Statements

Opinion

We have audited the accompanying Ind AS Standalone Financial Statements of **M/s. Lakhotia Polyesters (India) Limited** (“the Company”), which comprise the balance sheet as at March 31, 2026, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including 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 Ind AS & accounting principles generally accepted in India:

a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2026; and

b) in the case of the statement of profit and loss, of the profit including other comprehensive income for the year ended on that date.

c) in the case of the statement of cash flows, of the cash flows for the year ended on that date.

d) in the case of the statement of changes in equity, of the changes in equity share capital and other equity for the year ended on that date.

Basis for Opinion

We have conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing as 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provision of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Other Information

The Company’s Board of Directors is responsible for the other information. The other information comprises the Board of Directors' Report, 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a 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 changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial 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, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors 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 misstatement 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

   c) the balance sheet, the statement of profit and loss including the statement of other comprehensive income, the statement of cash flows, 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 Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e) on the basis of written representations received from the directors as on 31 March, 2026 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2026, from being appointed as a director in terms of Section 164(2) of the Act;

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

   B.) with respect to the other matters to be included in Auditors 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 explanations given to us:

   a) The Company does not have any pending litigations which would impact its financial position;

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

   c) The Company was not required to transfer any amount to Investor Education and Protection Fund,

   d) i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

      - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or
      - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

      ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Fund Parties") with the understanding, whether recorded in writing or otherwise that the Company shall:

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

      iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause d (i) and d (ii) contain any material misstatement.

   e) During the year, the Company has not declared or paid any dividend.

   f) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended 31st March, 2026.The accounting software used by the company does not have a feature of audit trail.

C.) With respect to the matter to be included in the Auditor’s Report under Section 197 (16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For M/S. SHARP AARTH & CO. LLP
Chartered Accountants
FRN: 132748W / W100823
sd/-
CA Praveen Purohit
Partner
Membership No.: 429231
UDIN: 26429231GQOHWL9326
Place: Nashik
Date: April 28, 2026

Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of M/s. Lakhotia Polyesters (India) Limited for the year ended 31st March, 2026

Referred to in paragraph 1 of the section on "Report on other legal and regulatory requirements" of our report of even date

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) The Company has maintained proper records showing full particulars of Intangible Assets;

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year. Accordingly, the reporting requirements of clause i (d) of paragraph 3 of the Order is not applicable to the Company

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in the aggregate, hence reporting under this clause is not required.

(iii) (a) According to the information and explanations are given to us and on the basis of our examination of the records of the Company, during the year the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. The Company has not made Investments during the year.

(b) In our opinion and according to the information and explanation given to us, the investments made during the year are not prejudicial to the interest of the Company. Accordingly, the reporting requirements of clause iii (b) of paragraph 3 of the Order is not applicable to the Company.

(c) Based on the records examined by us and the information and explanations given to us, the Company has not given any loans secured or unsecured, to any companies, firms, limited liability partnerships or other parties hence the reporting requirement of clause iii (c), (d), (e), (f) of paragraph 3 of the Order is not applicable to the Company

(iv) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013.

Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of the Section 73 to 76 of the Act and the Rules. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the products manufactured by it (and / or services provided by it). Accordingly, clause 3 (vi) of the order is not applicable

(vii) (a) The Company does not have liability in respect of Sales Tax, Service Tax, Duty of Excise and Value Added Tax during the year since effective 1st July, 2017, these statutory dues have been subsumed into GST.

According to the information and explanation are given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees State Insurance, Income Tax, Duty of Customs, cess or other material statutory dues have generally been regularly deposited (except as described below) with the appropriate authorities.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess, and other material statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations are given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes

(viii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the assessments under the Income Tax Act, 1961 as income during the year

(ix) (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to information and explanations given to us by the management, the term loans availed by the company were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short term basis have not been utilised for long term.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, 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.

(c) According to the information and explanations given to us, no whistle blower complaints are received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards

xiv) (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, as per Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Company has an Internal Audit System that commensurate with the size and nature of its business.

(b) The Internal Audit Reports of the company issued till date of the audit report, for the period under audit have been considered by us.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting requirement of clause xvi(b) of paragraph 3 of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us during the course of the audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

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

(xviii) There has been no resignation of the Statutory Auditor during the year. Accordingly, the reporting requirement of the clause (xviii) of paragraph 3 of the order is not applicable to the Company.

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

(xx) The Company had an unspent CSR amount relating to projects other than ongoing projects as at 31 March 2026. The time period prescribed under the second proviso to section 135(5) of the Companies Act, 2013 for transfer of such amount to a Fund specified in Schedule VII had not expired as at the date of this report.

(xxi) The requirements of reporting on consolidated financial statements are not applicable to the Company. Accordingly, the requirements of clause 3(xxi) are not applicable.

For M/S. SHARP AARTH & CO. LLP

Chartered Accountants

FRN: 132748W/W100823

sd/-

CA Praveen Purohit

Partner

Membership No.: 429231

UDIN: 26429231GQOHWL9326

Place: Nashik

Date: May 28, 2026

Annexure B to the Independent Auditors' Report

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

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

Opinion

We have audited the internal financial controls over financial reporting of **M/s. Lakhotia Polyesters (India) Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026, based on the criteria for internal financial control over financial reporting 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

Managements and Board of Directors' Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

For M/S. SHARP AARTH & CO. LLP
Chartered Accountants
FRN: 132748W/W100823

sd/-
CA Praveen Purohit
Partner
Membership No.: 429231
UDIN: 26429231GQOHWL9326
Place: Nashik
Date: May 28, 2026

LAKHOTIYAPOLYESTERS (INDIA) LIMITED

CIN - L17120MH2005PLC155146

Balance Sheet as on March 31, 2026

INR (In Lakhs)

Particulars	**Note**	**As at March 31st, 2026**	**As at March 31st, 2025**
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	50.93	35.80
(b) Capital work-in-progress		-	-
(c) Investment Properties		-	-
(d) Intangible Assets		-	-
(e) Financial Assets		-	-
(i) Investments	4(a)	0.01	0.01
(ii) Loans & Advances	4(b)	-	-
(iii) Trade Receivables		-	-
(iv) Other Financial Assets	4(c)	3.09	46.91
(f) Deferred Tax Assets		-	1.15
(g) Other Non-Current Assets	5	-	-
Total Non-Current Assets		**54.04**	**82.73**
Current Assets			-
(a) Inventories	6	35.17	111.13
(b) Financial Assets		-	-
(i) Investments	4(a)	-	-
(ii) Trade Receivables	4(d)	3,112.24	3,052.23
(iii) Cash and Cash Equivalents	4(e)	7.08	19.97
(iv) Bank balances other than (iii) above		-	-
(v) Loans & Advances	4(b)	430.17	78.19
(vi) Other Financial Assets	4(c)	0.28	6.58
(c) Current Tax Assets (Net)	4(f)	27.51	93.28
(d) Other Current Assets	5	0.15	0.10
Total Current Assets		**3,612.61**	**3,361.48**
Total Assets (1+2)		**3,666.65**	**3,444.21**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	7(a)	1,047.40	1,047.40
(b) Other Equity	7(b)	721.14	483.45
Total Equity		**1,768.54**	**1,530.85**
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	8(a)	15.52	10.14
(ii) Trade Payables		-	-
(iii) Other Financial Liabilities		-	-
(b) Other Non-Current Liabilities			-
(c) Provisions	9	3.38	3.13
(d) Deferred Tax Liabilities		2.05	0.46
Total Non-Current Liabilities		**20.95**	**13.74**

LAKHOTIYAPOLYESTERS (INDIA) LIMITED

CIN - L17120MH2005PLC155146

Balance Sheet as on March 31, 2026

INR (In Lakhs)

Particulars	Note	As at March 31st, 2026	As at March 31st, 2025
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	8(a)	1,617.34	1,493.26
(ii) Trade Payables	10	167.60	287.35
(iii) Other Financial Liabilities		-	-
(b) Provisions	9	84.43	109.83
(c) Current Tax Liabilities (Net)	11	-	-
(d) Other Current Liabilities	12	7.80	9.18
Total Current Liabilites		**1,877.16**	**1,899.62**
Total Equity & Liabilities (1+2+3)		**3,666.65**	**3,444.21**

For and on behalf of the Board
Lakhotiya Polyesters(India) Limited

M/S SHARP AARTH & CO. LLP
Chartered Accountants
FRN: 132748W/W100823

sd/-
Madhusudan S Lakhotiya
Chairman & MD
DIN: 00104576

sd/-
Jayshri M Lakhotiya
Whole Time Director
DIN: 05357609

sd/-
CA Praveen Purohit
Partner
MRN : 429231
UDIN: 26429231GQOHWL9326

sd/-
Vivek Rathi
Chief Financial Officer

sd/-
Shannu Chaturvedi
Company Secretary

Date: April 28, 2026
Place: Nashik

LAKHOTIYAPOLYESTERS (INDIA) LIMITED

CIN - L17120MH2005PLC155146

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

INR (In Lakhs) except EPS

Particulars	Note	For the year ended 31st March 2026	For the year ended 31st March 2025
Income			
(a) Revenue from Operations	13	1,584.11	6,046.62
(b) Other Income	14	391.97	1,169.97
Total Income		**1,976.09**	**7,216.58**
Expenses			
(a) Cost of Material Consumed	15	1,351.52	5,564.68
(b) Changes in inventories of work-in-progress, stock-in-trade and finished goods	16	7.48	39.74
(c) Employee Benefits Expenses	17	62.46	33.40
(d) Finance Costs	18	44.70	66.90
(e) Depreciation and Amortization Expenses	3	5.55	4.51
(f) Other Expenses	19	189.53	701.39
Total Expenses		**1,661.25**	**6,410.62**
Profit Before Tax for the period / year (1-2)		**314.84**	**805.96**
Tax Expense Charge / (Credit)			
(a) Current Tax		83.89	202.05
(b) Previous Tax		(8.16)	0.24
(c) Deferred Tax		1.59	1.61
Total Tax Expenses		**77.32**	**203.90**
Profit after Tax for the period (3-4)		**237.52**	**602.06**
Other Comprehensive Income for the period / year			
Net changes in fair values of investments in equity shares carried at fair values through OCI		-	23.53
Profit/(Loss) on Sale of Equity Shares held as Investment		0.22	34.49
Less: Tax related to OCI items	-	0.06	13
Total Comprehensive Income / (Loss) for the period / year (5+6)	**-**	**237.69**	**646.86**
Earning per Equity Share (EPS)* (Face value of Rs. 10 each)			
Basic EPS		2.27	6.18
Diluted EPS		2.27	6.18

For and on behalf of the Board
Lakhotiya Polyesters(India) Limited

M/S SHARP AARTH & CO. LLP
Chartered Accountants
FRN: 132748W/W100823

sd/-
Madhusudan S Lakhotiya
Chairman & MD
DIN: 00104576

sd/-
Jayshri M Lakhotiya
Whole Time Director
DIN: 05357609

sd/-
CA Praveen Purohit
Partner
MRN : 429231
UDIN: 26429231GQOHWL9326
Date: April 28, 2026
Place: Nashik

sd/-
Vivek Rathi
Chief Financial Officer

sd/-
Shannu Chaturvedi
Company Secretary

LAKHOTIYAPOLYESTERS (INDIA) LIMITED

CIN - L17120MH2005PLC155146

Statement of Cash Flow as on March 31, 2026

INR (In Lakhs)

Particulars	31st March 2026	31st March 2025
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Income Tax	314.84	805.96
Adjustments for:		
Depreciation & Amortization Expenses	5.55	4.51
Interest Income	(1.46)	(0.60)
Finance Cost	44.70	66.90
Adjustment of Other Comprehensive Income	0.22	58.02
Operating Profit before Working Capital Changes	**363.85**	**934.79**
Changes in Operating Assets & Liabilities:		
(Increase) / Decrease in Financial Assets	(361.88)	(1,744.69)
(Increase) / Decrease in Non Financial Assets	65.72	(67.73)
Increase / (Decrease) in Financial Liabilities	(119.50)	71.45
Increase / (Decrease) in Non Financial Liabilities	(25.19)	99.48
(Increase) / Decrease in Inventories	75.96	97.33
Cash Generated from Operations	**(1.04)**	**(609.36)**
Income Taxes Paid	77.37	217.13
Net Cash Flows from Operating Activities	**(78.42)**	**(826.48)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipments	(20.68)	(0.07)
Proceeds from Sale of Investments	-	-
Sale of Property, Plant & Equipments	-	-
Interest Income	1.46	0.60
Net Cash Flows from Investing Activities	**(19.22)**	**0.54**
CASH FLOW FROM FINANCING ACTIVITIES		**-**
Proceeds from Long Term Borrowings	5.37	(4.83)
Proceeds from Short Term Borrowings	124.07	903.56
Finance Cost	(44.70)	(66.90)
Net Cash Inflows from Financing Activities	**84.74**	**831.83**
Net Increase / (Decrease) in Cash & Cash Equivalents	**(12.89)**	**5.89**
Cash & Cash Equivalents at the Beginning of the Year	**19.97**	**14.09**
Cash & Cash Equivalents at the End of the Year	**7.08**	**19.97**

For and on behalf of the Board
Lakhotiya Polyesters(India) Limited

M/S SHARP AARTH & CO. LLP
Chartered Accountants
FRN: 132748W/W100823

sd/-
Madhusudan S Lakhotiya
Chairman & MD
DIN: 00104576

sd/-
Jayshri M Lakhotiya
Whole Time Director
DIN: 05357609

sd/-
CA Praveen Purohit
Partner
MRN : 429231
UDIN: 26429231GQOHWL9326
Date: April 28, 2026
Place: Nashik

sd/-
Vivek Rathi
Chief Financial Officer

sd/-
Shannu Chaturvedi
Company Secretary

ACCOUNTING POLICY

Note 1: GENERAL CORPORATE INFORMATION

Lakhotia Polyesters (India) Limited ("the Company") having CIN: L17120MH2005PLC155146 is a public listed company, incorporated and domiciled in having its registered office at 158-159, Shree Samarth Sahakari Audyogik Vasahat Limited, Pimpalgaon (Baswant), Tal. – Nashik Maharashtra 422209 India. The company is primarily engaged in the manufacture and selling of Metallic yarn & textile fabrics for catering to the domestic and international markets including merchant exports. The yarn produced by the company is used for the made-ups in apparel, hosiery, and garment industry. The equity shares of the company are listed on The Bombay Stock Exchange Limited (BSE).

Note 2: SIGNIFICANT ACCOUNTING POLICIES:

(I) BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

a) Compliance with Ind AS

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

b) Historical cost convention

The financial statement has been prepared on a historical cost basis, except for:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value at the end of each reporting period; and
- defined benefit plans (plan assets measured at fair value at the end of each reporting period)

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Operating Cycle

The 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 equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and noncurrent classification of assets and liabilities.

1. CRITICAL ESTIMATES & JUDGEMENT

The estimates and judgements used in the preparation of the Ind AS Financial Information are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Examples of such estimates include the useful lives of property, plant, and equipment, defined benefit obligation, etc. Differences between actual results and estimates are recognized in the period in which the results are known / materialized. The said estimates are based on the facts and events, that existed as of the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The preparation of the financial statements in conformity with Ind AS except where specifically stated in financial statements and notes to accounts of the non-conformity with the relevant Accounting Standard requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expense for the year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates will be recognized prospectively in the current and future periods.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items that are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

- **Useful lives of property, plant, and equipment**

  Property, plant, and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each period end.

- **Defined benefit obligation**

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

- **Leases**

  The company as a lessor

  Rental income from operating lease is recognized on a straight-line basis over the lease term unless the same is in line with general inflation to compensate for the expected inflationary cost. Initial direct costs incurred in negotiating and arranging an operating lease is recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

2. CURRENT/NON-CURRENT CLASSIFICATION

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.

An asset is classified as current when it satisfies any of the following criteria:

a. It is expected to be realized in, or is intended for sale or consumption in, the entity's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is expected to be realized within twelve months after the balance sheet date;

d. It is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

a. It is expected to be settled in the entity's normal operating cycle;

b. It is held primarily for the purpose of being traded;

c. It is due to be settled within twelve months after the balance sheet date;

d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

All other liabilities are classified as non-current.

3. INVESTMENTS

Investment in equity shares of subsidiaries are measured at cost. Investments in equity instruments are measured at fair value through other comprehensive income.

The Company classifies its financial assets in the measurement categories as those to be measured subsequently at fair value (through other comprehensive income) and those measured at amortized cost. The classification depends on the Company's business model for managing the financial asset and the contractual terms of the cash flows.

4. REVENUE RECOGNITION

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and it is reasonable to expect ultimate collection. The following specific recognition criteria must also be met before revenue is recognized:

Sale of products:

Revenue from sale of products is recognized upon satisfaction of performance obligations, i.e. at a point of time, which occurs when the control is transferred to the customer.

Customers obtain control as per the Incoterms. In determining the transaction price for the sale of a product, the Company considers the effects of variable consideration, if any. Invoices are issued according to contractual terms and are usually payable as per the credit period agreed with the customer.

Interest:

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head “other income” in the statement of profit and loss.

Dividend:

Dividend income is accounted as and when right to receive dividend is established. Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

5. FOREIGN CURRENCY TRANSACTIONS AND BALANCES

The financial statements are presented in INR, which is the Company’s functional currency.

Foreign currency transactions are initially recorded at functional currency’s spot rates at the date the transaction first qualifies for recognition.

Foreign currency monetary items are translated using the functional currency spot rates prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

6. CURRENT AND DEFFERED TAX

Income tax expense represents the sum of the tax currently payable and deferred tax.

i. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretations. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit

Deferred tax assets arising from deductible temporary differences associated with such interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset when entity has legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and credits only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

iii. Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

7. FINANCIAL INSTRUMENTS

i. Classification

The Company classifies its financial assets under the following measurement categories:

- those to be measured subsequently at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL), and
- those measured at amortized cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit or Loss or Other Comprehensive Income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through Other Comprehensive Income.

ii. Initial recognition and measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Ind AS Statement of Profit and Loss.

-Financial Assets

iii. Amortized cost:

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

iv. Fair value through profit or loss:

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. Gains or losses arising on remeasurement are recognized in the Statement of Profit and Loss. The net gain or loss recognized in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

v. Measurement of equity instruments

All equity investments in the scope of Ind AS 109, Financial Instruments, are measured at fair value. For equity instruments, the Company may make an irrevocable election to present the subsequent fair value changes in Other Comprehensive Income (OCI). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

There is no recycling of the amounts from OCI to profit or loss, even on the sale of an investment. Equity instruments included within the FVTPL (fair value through profit or loss) category are measured at fair value with all changes in fair value recognized in the profit or loss.

vi. Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for all financial assets is measured at an amount equal to lifetime ECL. The Company has used practical expedient by computing expected credit loss allowance for trade receivable by taking into consideration historical credit loss experience and adjusted for forward looking information. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the Statement of Profit and Loss.

vii. De-recognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party and does not retain control of the asset. The Company continues to recognize the asset to the extent of the Company's continuing involvement.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Statement of Profit and Loss on disposal of that financial asset.

-Financial Liabilities

All financial liabilities are subsequently measured a amortized cost using the effective interest method.

viii. Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method.

ix. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, canceled or have expired.

x. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

8. PROPERTY PLANT & EQUIPMENT

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Freehold land is not depreciated. Leasehold land is amortized over the remaining period of the lease.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 1, 2017 measured as per previous GAAP and use that carrying value as deemed cost of the property, plant and equipment.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on other items of Property, Plant and Equipment has been provided on the straight-line method as per the useful life as estimated by the Management. The estimate of the useful life of the assets has been based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, etc. The estimated useful life of these Property, Plant and Equipment is mentioned below:

Class of Assets	Useful Lives
Buildings	30 years
Plant & Equipment	15-45 years
Furniture & Fixtures	10 years
Computers	3 years
Office Equipment	5 years
Vehicles	8 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

The useful lives are reviewed by the management at each period end and revised, if appropriate.

9. INTANGIBLE ASSETS

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Useful lives of intangible assets

Computer Software are amortized on straight-line basis over the estimated useful life ranging between 3-5 years.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from the derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the Statement of Profit and Loss when the asset is derecognized.

10. IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. For the purpose of assessing impairment, assets are grouped at the lowest level, for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or groups of assets (cash-generating unit).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

11. INVENTORIES

Inventories (Raw material, work-in-progress, finished goods) are stated at the lower of cost and net realizable value. The cost of purchased material is determined on a weighted average basis. The net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The cost of work-in-progress and finished goods includes material cost, labor cost, and manufacturing overheads absorbed on the basis of the normal capacity of production.

12. EMPLOYEE BENEFITS

Short term employee benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognized as expenses at the undiscounted amounts in the Ind AS Statement of Profit and Loss of the period in which the related service is rendered.

Post-employment benefits

Defined contribution plan

Contributions to defined contribution schemes such as provident fund and employees' state insurance (ESIC) are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees' provident fund contribution is made to a government-administered fund and charged as an expense to the Ind AS Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

Defined benefit plan

The Company provides for gratuity which is a defined benefit plan the liabilities of which is determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognized in the OCI, in the period in which they occur. Re-measurement recognized in OCI are not reclassified to the Ind AS Statement of Profit and Loss in subsequent periods. Past service cost is recognized in the Ind AS Statement of Profit and Loss in the period of plan amendment or curtailment. The classification of the obligation into current and non-current is as per the actuarial valuation report.

13. PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that the Company will be required to settle the obligation in respect of which a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, it carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying

economic benefits are remote, no provision or disclosure is made.

Contingent assets: A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised

but disclosed only when an inflow of economic benefits is probable.

14. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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 segregated based on the available information.

15. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting, nature of the products / process, Organization structure as well as differential risks and returns, provided to the board of directors and chief financial officer, all of them constitute as chief operating decision maker ('CODM'). The chief operating decision maker (CODM) has identified two primary business segments viz. Cylinders and Windmill. These segments have been identified and reported taking into account the nature of the products / services, the differing risks and returns, the organizational structure and internal business reporting system. The Company caters mainly the needs of the Indian Market hence separate geographical segmental information has not been given.

16. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue and share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

17. CASH AND CASH EQUIVALENTS

For the purpose of presentation in statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short term highly liquid investments with original maturities of 3 months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

18. CONTINGENCIES

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also given in the normal course of business. There are certain obligations which management has concluded based on all available facts and circumstances are treated as contingent liabilities and disclosed in the Notes but are not provided for in the financial statements. Although there can be no assurance of the final outcome of the legal proceedings in which the company is involved it is not expected that such contingencies will have a material effect on its financial position or profitability.

19. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Lakhotia Polyesters (India) Limited has, during the financial year, commenced transactions in derivative financial instruments, specifically in Futures and Options (F&O), through recognized stock exchanges. These instruments are primarily used for hedging purposes to manage exposure to market volatility and price risks associated with the Company's operations.

The Company does not engage in derivatives for speculative purposes. All derivative contracts are executed in line with the Company's risk management framework and in compliance with the regulatory guidelines issued by relevant authorities.

As at the reporting date, outstanding derivative positions, if any, have been fair valued and the resultant gains/losses have been recognized in the Statement of Profit and Loss in accordance with applicable accounting standards.

Adequate internal controls have been implemented to monitor and manage these derivative positions.

LAKHOTIYAPOLYESTERS (INDIA) LIMITED

Notes to the Financial Statements for the year ended March 31, 2026.

Note 3: Property, Plant and Equipment Assets

INR (In Lakhs)

Particulars	Useful Life	SLM Rate	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			As at 01 April,2025	Additions during the year	Deductions during the year	As at Mar 31,2026	Upto 01 April, 2025	For the year ended Mar 31,2026	Deductions for the year ended Mar 31,2026	Upto Mar 31, 2026	As at Mar 31, 2026	As at Mar 31, 2025
a) Plant Property & Equipment												
Land			1.87	-	-	1.87	-	-	-	-	1.87	1.87
Buildings	30	3.17%	12.89	-	-	12.89	7.46	0.41	-	7.87	5.02	5.43
Plant and Machinery	15	6.33%	122.11	-	-	122.11	122.11	-	-	122.11	-	-
Furniture & Fixtures	10	9.50%	1.62	-	-	1.62	1.62	-	-	1.62	-	-
Office Equipments	5	19.00%	16.18	1.25	-	17.43	15.06	0.54	-	15.60	1.83	1.12
Vehicles	8	11.88%	31.73	19.43	-	51.15	4.34	4.60	-	8.94	42.21	27.39
Total Plant Property & Equipment			**186.40**	**20.68**		**207.07**	**150.59**	**5.55**	**-**	**156.14**	**50.93**	**35.80**

Particulars	Useful Life	SLM Rate	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			As at 01 April,2024	Additions during the year	Deductions during the year	As at Mar 31,2025	Upto 01 April, 2024	For the year ended Mar 31,2025	Deductions for the year ended Mar 31,2025	Upto Mar 31, 2025	As at Mar 31,2025	As at Mar 31, 2024
a) Plant Property & Equipment												
Land			1.87		-	1.87	-	-	-	-	1.87	1.87
Buildings	30	3.17%	12.89		-	12.89	7.06	0.41	-	7.46	5.43	5.83
Plant and Machinery	15	6.33%	122.11		-	122.11	122.11	-	-	122.11	-	-
Furniture & Fixtures	10	9.50%	1.62		-	1.62	1.62	-	-	1.62	-	-
Office Equipments	5	19.00%	16.11	0.07	-	16.18	14.73	0.33	-	15.06	1.12	1.38
Vehicles	8	11.88%	31.73	-		31.73	0.57	3.77	-	4.34	27.39	31.16
				-	-	-		-	-			
Total Plant Property & Equipment			**186.33**	**0.07**	**-**	**186.40**	**146.08**	**4.51**	**-**	**150.59**	**35.80**	**40.24**

Note 4: Financial Assets

4 (a) Non Current Investments

INR (In Lakhs)

Particulars	31.03.2026	31.03.2025
(A) Investment in Fully Paid Quoted Equity Shares	-	-
B) Unquoted shares of co-operative society	0.01	0.01
Total Non Current Investments (A+B)	**0.01**	**0.01**

4 (a) Current Investments

Particulars	31.03.2026	31.03.2025
Investment in Fully Paid Quoted Equity Shares	-	-
Total	**-**	**-**

Valuation of quoted equity shares were done on the closing market price on 31/03/2026, and any changes in fair value of its investment was shown as Other Comprehensive Income in the Statement of Profit and Loss.

4 (b) Current Loans and Advances

Particulars	31.03.2026	31.03.2025
Loans to Related Parties	-	-
Loans to Others - Unsecured, Considered Good	-	-
Total	**-**	**-**

4 (c) Other Financial Assets - Non Current

Particulars	31.03.2026	31.03.2025
Shares Deposits	0.15	0.15
Security Deposits	0.94	0.94
Rent Deposits	1.11	44.93
Customs Duty (Advance)	0.90	0.90
Total	**3.09**	**46.91**

Footnote:

1. Balances with banks in margin money and fixed deposits are kept as security for guarantees / other facilities.

4 (c) Other Financial Assets - Current

Particulars	31.03.2026	31.03.2025
Loans to Others - Unsecured, Considered Good		
Duty Drawback Receivable	0.27	6.57
Dividend Receivable	0.01	0.01
Total	**0.28**	**6.58**

4 (d) Trade Receivables

For the year ended 31.03.2026

INR (In Lakhs)

Name of the Directors	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	384.63	699.80	2,016.56		11.25	3,112.24
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for doubtful trade receivables	-	-	-	-	-	-
TOTAL						**3,112.24**

For the year ended 31.03.2025

Name of the Directors	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	2,615.07	398.80	20.13	-	18.23	3,052.23
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
Less: Allowance for doubtful trade receivables	-	-	-	-	-	-
TOTAL						**3,052.23**

Note: There are no unbilled and mot due trade receivables,hence the same has not been disclosed in ageing scehdule

Note 4: Financial Assets

4 (e) Cash and Cash Equivalents

INR (In Lakhs)

Particulars	31.03.2026	31.03.2025
Balances with Banks		
Current Accounts	0.09	0.03
	-	-
Cash on Hand	6.99	19.94
Total	**7.08**	**19.97**

4 (f) Current Tax Assets

Particulars	31.03.2026	31.03.2025
Balances with Government Authorities		
Advance Tax & Tax Deducted at Source	-	105.00
Tax Collected at Source	0.03	0.92
Less: Provision for Taxation	0.03	105.92
Balance	-	-
Excess Credit Balances of GST & Service Tax	27.51	93.28
	27.51	**93.28**

Note 5 : Other Non-Financial Assets

Particulars	31.03.2026	31.03.2025
Other Current Assets		
Prepaid Expenses	0.15	0.10
Other Receivables	-	-
Total	**0.15**	**0.10**

Note 6 : Inventories

Particulars	31.03.2026	31.03.2025
Inventories (lower of cost or net realisable value)		
Stock in trade	35.17	111.13
Closing stock (Contract) - Asset	-	-
Total	**35.17**	**111.13**

Footnote:

a) Refer Note 16 for cost of inventories recognised as an expense during the period.

b) No amount of inventories were written down to net realisable value during the current and comparable periods. Similarly, No amount of reversal of write down was accounted during the current and comparable periods.

c) Mode of valuation of inventories is stated in Note 2

Note 7 (a) : Equity Share Cpaital

INR (In Lakhs)

Particulars	31.03.2026	31.03.2025
Authorised Share Capital		
1,050.00 (As at 31st March, 2025: 1050.00; As at 1st April, 2024 1,050.00) Equity Shares of Rs.10/- each	1,050.00	1,050.00
Issued and subscribed capital comprises:		
1047.39880 (As at 31st March, 2025: 1047.3988; As at 1st April, 2024: 1047.3988) Equity Shares of Rs.10/- each fully paid-up	1,047.40	1,047.40

1. Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	31.03.2026	31.03.2025
Fully paid equity shares (in Lakhs)	**1,047.40**	**1,047.40**
Add : Issued during the year	-	-
Less: Bought back during the year	-	-
Balance at 31st March, 2025	**1,047.40**	**1,047.40**
Add : Issued during the year	-	-
Less: Bought back during the year	-	-
Balance at 31st March, 2024	**1,047.40**	**1,047.40**

2. Terms / rights attached to equity shares

The Company has a single class of Equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company decalres and pays dividend in Indian rupees. The Board of Directors have not declared dividend for the year ending 31st March,2026.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations.

3. Details of shares held by each shareholder holding more than 5% shares as on 31.03.2026

Particulars	Number of Shares	% of Holding 31.03.2026
Fully paid up equity shares (In Lakhs)		
Shreyas Surana	6.21	5.93%
Intensive Finance Private Limited	9.84	9.39%
Mukesh Kumar Jain HUF	5.60	5.35%
Shyamsunder Lakhotia	8.67	8.28%
Madhusudan Lakhotiya	46.68	44.57%
Kanchandevi Lakhotia	11.87	11.33%

3. Details of shares held by each shareholder holding more than 5% shares as on 31.03.2025

Particulars	Number of Shares	% of Holding 31.03.2025
Fully paid up equity shares (In Lakhs)		
Shreyas Surana	6.21	5.93%
Intensive Finance Private Limited	11.18	10.67%
Mukesh Kumar Jain HUF	5.60	5.35%
Shyamsunder Lakhotia	8.67	8.28%
Madhusudan Lakhotiya	46.68	44.57%
Kanchandevi Lakhotia	11.87	11.33%

4. Details of Shares held by the promoters as on 31.03.2026

Particulars	% of Holding 31.03.2026	% Change as on 31.03.2025
Shyamsunder Lakhotia	8.28%	0.00%
Madhusudan Lakhotiya	44.57%	0.00%
Kanchandevi Lakhotia	11.33%	0.00%
Madhusudan Lakhotiya (HUF)	4.05%	0.00%
Shyamsunder Dhanraj Lakhotia (HUF)2.59%	0.00%	
Jayashree Lakhotia	3.17%	114.19%

4. Details of Shares held by the promoters as on 31.03.2025

Particulars	% of Holding 31.03.2025	% Change as on 31.03.2024
Shyamsunder Lakhotia	8.28%	0.00%
Madhusudan Lakhotiya	44.57%	0.00%
Kanchandevi Lakhotia	11.33%	0.00%
Madhusudan Lakhotiya (HUF)	4.05%	0.00%
The company has availed the Car Loan from Central Bank of India at with an EMI of Rs.0.49 Lakhs starting from 29.02.2024. It secured by the primary securities.	2.59%	0.00%
Jayashree Lakhotia	1.48%	0.00%

Note 7 (b) : Other Equity

INR (In Lakhs)

DIC Subsidy	31.03.2026	31.03.2025
Balance at the beginning of the year	10.00	10.00
Add / (Less) :		
Amount transferred to general reserve	-	-
Balance at the end of the year	**10.00**	**10.00**

General Reserve	31.03.2026	31.03.2025
Balance at the beginning of the year	473.45	(173.41)
Add / (Less) :		
Profit attributable to the owners of the company	237.69	646.86
Excess / (Short) Provision of Income Tax	-	-
Income Tax Expenses	-	-
Dividend Paid	-	-
Balance at the end of the year	**711.14**	**473.45**
Total	**721.14**	**483.45**

Note 8: Financial Liabilities

Note 8 (a) Borrowings - Non Current

INR (In Lakhs)

Particulars	31.03.2026	31.03.2025
Secured		
(a) Term Loan		
From Banks & Financial Institutions - Car loan	22.22	14.98
From Banks & Financial Institutions - Rupee loan	-	-
	22.22	**14.98**
Unsecured		
(a) Other Loans		
Loan from Others	-	-
Total Non-Current Borrowings	**22.22**	**14.98**
Less: Transferred to Current Maturities	6.71	4.83
TOTAL	**15.52**	**10.14**

Note 8 (b) Borrowings - Current

Particulars	31.03.2026	31.03.2025
Secured		
(a) Loan against Construction Projects		
Working Capital Loan / Cash Credit from Banks	1180.06	1,421.68
Packing Credit facility from bank	-	-
	1180.06	**1,421.68**
Unsecured		
(a) Other Loans - Repayable on Demand		
From Others	-	-
From Related Parties	430.57	66.75
	430.57	**66.75**
Current Maturities of Long Term Debt	**6.71**	**4.83**
Total	**1,617.34**	**1,493.26**

Footnote:

a) Secured Term Loan

i) The Company has Vehicle Loan from Central Bank of India carries an interest rate of 7.60% p.a. and is repayable in equated monthly installments of ₹ 0.49 Lakh over a total tenure of 5 years.

ii) During the Current year, the Company availed a Electric Vehicle Loan from Central Bank of India for a total limit of ₹12.61 lakhs at an interest rate of 7.85% p.a. The loan is repayable in monthly installments of ₹ 0.20 lakh over a tenure of 5 years.

iii) Vehicle loan as mentioned in i) & ii) is secured by the hypothecation of the specific vehicle purchased and registered in the name of a Director, Mr. Madhusudan Shamsunder Lakhotiya, for administrative convenience. Since the Company is the beneficial owner, providing all funds for purchase and servicing the debt, these assets are recognized in the Company's Property, Plant & Equipment, and depreciation is claimed accordingly

b) The Company has also availed Bank Overdraft of Rs. 450 Lakhs with Sub-limit of Export Packing Credit (EPC) Facility of similar amount from Central Bank of India at 8.60% p.a.

1. Primary Security

   Hypothecation of Stocks/Inventory & Book Debts/Receivable.

2. Collateral Security

   - Land and Building at P No. 11,12,13 & 14, S. No. 329/2, Malegaon Dist. Nashik Owned by Mr. Madhusudan Lakhotiya

   -Plot No. 158 - 159, S. No. 670/A/2, at Shri Samarth Audyogik Vasahat Ltd., Pimpalgaon, Tal. Niphad, Dist. Nashik owned by Mr. Shamsunder Lakhotiya

   -Plot No. 158 - 159, S. No. 670/A/2, at Shri Samarth Audyogik Vasahat Ltd., Pimpalgaon, Tal. Niphad, Dist. Nashik owned by the Company..

Note 9: Provisions

INR (In Lakhs)

Non Current Provisions

Particulars	31.03.2026	31.03.2025
Employee Benefits		
Provision for Gratuity	3.38	3.13
Total	**3.38**	**3.13**

Current Provisions

Particulars	31.03.2026	31.03.2025
Employee Benefits		
Employee Provident Fund Payable	0.07	0.07
Other Provisions		
Audit Fees Payable	0.38	0.38
Professional Tax Payable	0.07	0.03
Provision for Income Tax	83.94	215.28
LESS: Advance Tax/ TDS	0.03	105.92
Net Provision for Income Tax	83.91	109.36
Total	**84.43**	**109.83**

Note 10: Trade Payables

Trade Payables	As at 31st March 2026 Oustanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) MSME*	-	-	-	-	
(b) Others	22.73	108.97	-	35.90	167.60
(c) Disputed Dues- MSME	-	-	-	-	-
(d) Disputed Dues- Others	-	-	-	-	-
Total	**22.73**	**108.97**	**-**	**35.90**	**167.60**

Trade Payables	As at 31st March 2025 Oustanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) MSME*	-	-	-	-	-
(b) Others	225.01	7.74	15.10	39.50	287.35
(c) Disputed Dues- MSME	-	-	-	-	-
(d) Disputed Dues- Others	-	-	-	-	-
Total	**225.01**	**7.74**	**15.10**	**39.50**	**287.35**

Footnotes:

a) The average credit period on purchases is 1 to 6 months.

b) The above figures of Trade Payables are shown as net of advances paid to the local/foreign suppliers.

Details of dues to Micro, Small and Medium Enterprises as defined under Micro Small Medium Enterprises Development Act, 2006 :

c) Trade payables include Rs. Nil as at 31st March, 2026 due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

d) No interest was paid / payable to micro and small enterprises during the year.

e) The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of parties under the MSMED Act and has been relied upon by the auditors.

Note 11: Current Tax Liabilities

INR (In Lakhs)

Particulars	31.03.2026	31.03.2025
Provision for Income Tax	-	-
Total	**-**	**-**

Note 12: Other Current Liabilities

Particulars	31.03.2026	31.03.2025
Other Payables		
Statutory Dues	7.80	9.18
Total	**7.80**	**9.18**

Note 13: Revenue from Operations

Particulars	31.03.2026	31.03.2025
Sale of Products		
(a) Manufactured Goods		
Export	1318.66	5,662.87
Domestic	10.16	217.86
(b) Exempt Sale -MEIS Liscence	-	-
(C) Exempt Sale -ROSCTL Liscence	12.64	6.44
(d) Exempt Sale -RODTEP Liscence	78.03	159.45
Other Operating Revenue	164.64	-
Branch Sale	**-**	-
Total	**1,584.11**	**6,046.62**

Note 14: Other Income

Particulars	31.03.2026	31.03.2025
(a) Duty Drawback	20.15	84.90
(b) Discount Received	-	0.03
(c) Foreign Exchange Gain	321.80	157.55
(d) Dividend	-	5.57
(e) Interest Received	1.46	0.60
(f) Interest on Income Tax Refund	-	-
(g) Income from Derivatives	48.57	921.32
Total	**391.97**	**1,169.97**

Note 15: Cost of Material Consumed

Particulars	31.03.2026	31.03.2025
Raw Materials and Packing material at the beginning of the period	74.09	131.68
Add: Purchases of Raw Materials	1283.05	5,507.09
Less: Raw material and Packing material at the end of the year	5.61	74.09
Total cost of materials consumed	**1,351.52**	**5,564.68**

Note 16: Changes in inventories of work-in-progress, stock-in-trade and finished goods INR (In Lakhs)

Particulars	31.03.2026	31.03.2025
Opening balance		
Work-in Progress	-	-
Finished Goods	-	-
Stock in Trade	37.04	76.78
Total Opening Balance	**37.04**	**76.78**
Closing balance		
Work-in Progress	-	-
Finished Goods	-	-
Stock in Trade	29.56	37.04
Total Closing Balance	**29.56**	**37.04**
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	**7.48**	**39.74**

Note 17: Employee Benefit Expenses

Particulars	31.03.2026	31.03.2025
Salary & wages	37.96	16.12
Directors Remuneration	18.80	15.60
Provident Fund	0.46	0.43
Miscelleneous Expenses	0.00	-
Gratuity	0.25	0.25
Bonus	5.00	1.00
Total	**62.46**	**33.40**

Note 18: Finance costs

Particulars	31.03.2026	31.03.2025
Bank Interest	37.69	42.22
Interest on Statutory Dues	-	1.34
Interest - Others	4.97	8.78
Bank Charges & Commission	1.80	4.98
ECGC Premium	-	7.46
Loan Processing Fees	0.24	2.14
Total	**44.70**	**66.90**

Note 19: Other Expenses

INR (In Lakhs)

Particulars	31.03.2026	31.03.2025
Direct Expenses		
PPower & Fuel	0.17	0.40
Factory Expenses	-	-
Freight, Packing, Loading & Unloading Expenses	36.55	60.94
Export Related Expenses - C&F,Transport & Job Work	47.21	296.93
Import Expnses	-	11.98
Indirect Expenses		
Audit Fees	1.50	1.50
Advertisement Expenses	0.84	0.62
BSE, NSDL & ROC Charges	3.25	6.75
Commission Expenses	28.31	148.06
Discount Expenses	0.00	118.53
Donation	0.31	1.00
Delay Payment Charges	-	1.41
GST Expenses	4.84	-
Export Expenses	-	0.03
Insurance	0.57	1.61
Share Charges	0.40	1.25
Municipal Taxes	-	0.16
Office Expenses	1.15	2.14
Rent Expenses	19.00	-
Postage & Couriers	1.38	1.72
Printing & Stationery	0.23	0.16
Professional Charges	15.57	36.73
Rates & Taxes	4.32	1.60
Travelling & Conveyance	3.23	7.08
Website Charges	0.16	0.23
Demat Charges	0.01	0.03
Wifi Expenses	0.05	0.05
Interest on Statutoy Dues	19.81	-
Duties and Taxes	-	0.00
Penalties and Charges	0.15	-
Other Charges	0.52	0.46
Total	**189.53**	**701.39**

Note 20: Payment to Auditor

Particulars	31.03.2026	31.03.2025
As Auditor		-
- Audit Fees	1.50	1.50
Total	**1.50**	**1.50**

Note 21: Earning per Share

Particulars	31.03.2025	31.03.2024
Profit attributable to Equity Shareholders	237.69	646.86
Weighted Average number of shares	104.74	104.74
Nominal Value of Shares	INR 10/-	INR 10/-
Basic EPS (in Rs)	2.27	6.18
Diluted EPS (in Rs)	2.27	6.18

Note 22: Fair Value Measurement

i) Fair Value of Financial assets and Financial liabilities

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

INR (In Lakhs)

Particulars	March 31, 2026		March 31, 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets designated as fair value through other comprehensive income	-	-	-	-
Financial assets designated at amortised cost.				
Non Current				
Loans	-	-	-	-
Investments	0.01	0.01	0.01	0.01
Other Financial Assets	3.09	3.09	46.91	46.91
Current				
Loans	430.17	430.17	78.19	78.19
Trade receivables	3,112.24	3,112.24	3,052.23	3,052.23
Cash and cash equivalents	7.08	7.08	19.97	19.97
Other Bank Balances	-	-	-	-
Investments	-	-	-	-
Other Financial Asset	0.28	0.28	6.58	6.58
	3,552.88	**3,552.88**	**3,203.90**	**-**
Financial liabilities designated at amortised cost				
Non Current				
Borrowings	15.52	15.52	10.14	10.14
Current				
Borrowings	1,617.34	1,617.34	1,493.26	1,493.26
Trade payables	167.60	167.60	287.35	287.35
Other Financial Liabilities	-	-	-	-
	1,800.45	**1,800.45**	**1,790.75**	**1,790.75**

(ii) Valuation technique used to determine fair value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

a) Fair value for financial investments are valued using closing NAV.

b) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

c) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values

d) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iii) Fair value hierarchy

This section explains the judgements and estimates made in determing the fair values of the financial instruments that are: (a)recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

INR (In Lakhs)

Financial assets and liabilities measured "at fair value-recurring fair value measurements	March 31, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets at amortised Cost				
Non Current Investment		0.01		0.01
Financial investments at FVTOCI				
Current Investment	-	-	-	-
Total financial assets	**-**	**0.01**	**-**	**0.01**

Financial assets and liabilities measured "at fair value-recurring fair value measurements	March 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets at amortised Cost				
Non Current Investment		0.01		0.01
Financial investments at FVTOCI				
Current Investment	-	-	-	-
Total financial assets	**-**	**0.01**	**-**	**0.01**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments,traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market(for example, traded bonds,over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument are included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data,the instrument is included in Level 3. This is the case for unlisted equity securities,contingent consideration and indemnification asset included in Level 3.

The Company's policy is to recognise transfers into and transfer out in fair value hierarchy levels at the end of the reporting period.

Note 23 : Financial Risk Management

Financial Risk Factors

The Company's principal financial liabilities comprise borrowings and trade payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan, trade and other receivables, cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

i) Credit Risk

Credit risk arises from cash and cash equivalents and deposits with bank(s) / other company, as well as credit exposure to counter party that will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Expected credit loss for trade receivables

Particulars	As at March 31.03.2026	As at March 31.03.2025
Trade Receivables		
Gross carrying amount	3,112.24	3,052.23
Expected loss rate	0.00%	0.00%
Expected credit losses (Loss allowance provision)		-
Carrying amount of trade receivables (net of impairment)	**3,112.24**	**3,052.23**

ii) Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

(a) Foreign Exchange Risk

The company is engaged in exports business and imports are very minimal for which hedging instruments are not required.

Earnings in Foreign Exchange

INR (In Lakhs)

Particulars	As at March 31.03.2026	As at March 31.03.2025
Export of Goods	1,483.29	5,662.87
Total	**1,483.29**	**5,662.87**

iii) Liquidity Risk

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations subject to the compliance with loan facilities. Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availibility of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

" Particulars	As at March 31, 2026				
	Carrying Amount	On Demand	< 6 months	6 to 12 months	> 1 year
Borrowings - Non Current	15.52		-	-	15.52
Borrowings - Current	1,617.34	1,587.34	-	-	30.00
Trade Payables	167.60	167.60	-	-	-
Other Financial Liabilities	-	-	-	-	-
Total	**1,800.45**	**1,754.93**	**-**	**-**	**45.52**

Particulars	As at March 31, 2025				
	Carrying Amount	On Demand	< 6 months	6 to 12 months	> 1 year
Borrowings - Non Current	10.14			-	10.14
Borrowings - Current	1,493.26	1,463.26	-	-	30.00
Trade Payables	287.35	287.35	-	-	-
Other Financial Liabilities	-	-	-	-	-
Total	**1,790.75**	**1,750.61**	**-**	**-**	**40.14**

Note 24 : Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The Company's objectives when managing capital are to:

(a) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

(b) Maintain an optimal capital structure to reduce cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by equity capital. No changes were made in objectives, policies or processess during the year ended March 31, 2026 and March 31, 2025.

INR (In Lakhs)

Particulars	As at March 31.03.2026	As at March 31.03.2025
Borrowings	1632.85	1,503.41
Current Maturities of Long Term Debts	6.71	4.83
Less: Cash and cash equivalents	7.08	19.97
Net Debt (a)	**1,646.64**	**1,528.21**
Total Equity	1,768.54	1,530.85
Total capital (b)	**1,768.54**	**1,530.85**
Net Debt to Equity ratio (a/b)	**0.93**	**1.00**

Note 25 : Disclosures of Financial Instruments

a) Financial assets and liabilities : Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements

Particulars	As at March 31, 2026					
	Fair Value Hierarchy	Amortised cost	Fair value through Other Comprehensive Income	Fair Value through statement of profit and loss	Total carrying value	Total Fair value
Financial Assets						
(i) Trade Receivables	Level - 3	3,112.24	-	-	3,112.24	3,112.24
(ii) Cash and Cash Equivalents	Level - 3	7.08	-	-	7.08	7.08
(iii) Loans	Level - 3	430.17	-	-	430.17	430.17
(iv) Other Financial Assets	Level - 3	3.37	-	-	3.37	3.37
Financial Liabilities						
(i) Borrowings	Level - .3	1,632.85	-	-	1,632.85	1,632.85
(ii) Trade Payables	Level - 3	167.60	-	-	167.60	167.60
(iii) Other financial Liabilities	Level - 3	-	-	-	-	-

Note 26 : Related Party Transactions

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are:

INR (In Lakhs)

a) List of the related party

Name of the party	Relationship	(% of holding) As at March 31,2026	As at March 31,2025
Shyamsunder Lakhotia	Relative of Director	8.28%	8.28%
Madhusudan Lakhotiya	Director & KMP	44.57%	44.57%
Kanchandevi Lakhotia	Director & KMP	11.33%	11.33%
Madhusudan Lakhotiya (HUF)	HUF of Director or KMP	4.05%	4.05%
Shyamsunder Lakhotia(huf)	HUF of Director or KMP	2.59%	2.59%
Jayashree Lakhotia	Director & KMP	3.17%	1.48%
Shannu Chaturvedi Vinayak	KMP	-	-
Vivek Vijay Rathi	KMP	-	-
S C Threads Private Limited	Enterprises owned or signifi cantly influenced by Director or their relatives	-	-
Rajiv Mundra	Relative of Director	-	-
Sujata Mundara	Relative of Director	-	-
Madhusudan Shamsunder Lakhotia HUF	Relative of Director	-	-
Gopi Krishna Mundra HUF	Relative of Director	-	-
Laxmi Devi Mundra	Relative of Director	-	-
Deepak Mundra HUF	Relative of Director	-	-
Jayprakash Mundra HUF	Relative of Director	-	-
Shri Gopal Mundra HUF	Relative of Director	-	-
Shamsunder Lakhotia HUF	Relative of Director	-	-
Santosh Devi Mundra	Relative of Director	-	-

b) Transactions during the year with related parties

Name of the Party	Nature of transactions	As at March 31, 2026	As at March 31, 2025
Madhusudan Lakhotiya	Remuneration	10.80	11.14
Madhusudan Lakhotiya	Receipt of Unsecured Loans	860.02	50.15
Madhusudan Lakhotiya	Repayment of Unsecured Loan	469.76	57.39
Jayashree Lakhotia	Remuneration	7.80	6.00
Jayashree Lakhotia	Receipt of Unsecured Loans	15.00	16.77
Jayashree Lakhotia	Repayment of Unsecured Loan	28.50	11.30
Madhusudan Lakhotiya (HUF)	Receipt of Unsecured Loans	33.05	323.94
Madhusudan Lakhotiya (HUF)	Repayment of Unsecured Loan	46.00	325.88
Shannu Chaturvedi Vinayak	Remuneration	3.58	3.57
Vivek Vijay Rathi	Remuneration	3.56	3.56
S C Threads Private Limited	Trade Receivables	-	163.99
Shyamsunder Lakhotia	Receipt of Unsecured Loans	-	-
Shyamsunder Lakhotia	Repayment of Unsecured Loan	-	-
Rajiv Mundra	Repayment of Unsecured Loan	18.00	18.00
Sujata Mundara	Payment of Commission	-	-
MADHUSUDAN SHAMSUNDER LAKHOTIA HUF	Payment of Commission	26.53	13.34
Gopi Krishna Mundra HUF	Payment of Commission	-	4.31
Laxmi Devi Mundra	Payment of Commission	-	4.37
Deepak Mundra HUF	Payment of Commission	8.93	8.61
Jayprakash Mundra HUF	Payment of Commission	-	-
Shri Gopal Mundra HUF	Payment of Commission	5.15	5.15
Shamsunder Lakhotia HUF	Payment of Commission	-	-
Santosh Devi Mundra	Payment of Commission	-	5.13
RAJIV TODARMAL MUNDRA HUF	Payment of Commission	4.30	-
Sudarshan Polymers	Payment of Commission	40.06	-

c) **Balance outstanding of related parties**

INR (In Lakhs)

Name of the Party	Receivable/(Payable)	As atMarch 31, 2026	As atMarch 31, 2025
Madhusudan Lakhotiya	Remuneration	1.26	2.56
Madhusudan Lakhotiya	Unsecured Loan	422.41	32.15
Jayashree Lakhotia	Remuneration	1.52	1.63
Jayashree Lakhotia	Unsecured Loan	5.49	18.99
Madhusudan Lakhotiya (HUF)	Receipt of Unsecured Loans	2.66	15.61
Shannu Chaturvedi Vinayak	Remuneration	0.89	0.89
Vivek Vijay Rathi	Remuneration	0.58	0.58
S C Threads Private Limited	Trade Receivables	-	-
Rajiv Mundra	Unsecured Loan	-	-
Sujata Mundara	Unsecured Loan	-	-
Deepak Mundra HUF	Unsecured Loan	8.75	-

d) **Key Management Personnel Compensation**

Particulars	As at March 31,2026	As at March 31, 2025
NIL	-	-

Note 27: Contingent Liabilities

Particulars	Contingent Liability not provided in the books of accounts (Rs. In Lakh)	
	As at March 31,2026	As at March 31, 2025
NIL	-	-

Note 28 : Commitments

a) **Capital expenditure contracted at the end of the reporting period but not recognised as liability is as follows :**

Particulars	Capital Commitments	
	As at March 31,2026	As at March 31, 2025
NIL	-	-

b) Commitments against lease arrangement:

Particulars	Lease Commitments	
	As at March 31,2026	As at March 31, 2025
- Not later than 1 year	-	-
- Later than 1 year but not later than 5 years	-	-
- Later than 5 years	-	-

Note 29 : Income Taxes

The company has realized deferred tax asset of Rs. 11.85 Lacs in the Profir and Loss Account, the details of whoch are as under:

Particulars	Deferred Tax	
	As at March 31,2026	As at March 31, 2025
Opening Balance of Deferred Tax Asset	(0.46)	1.15
-Due to difference in WDV as per Income Tax and as per Books	(1.59)	(1.61)
Closing Balance	**(2.05)**	**(0.46)**

Note 30 : Segment Reporting

The company is operating in single segment as per IND AS 108. Hence segment reporting is not applicable.

Note 31 : Disclosure pursuant to Indian Accounting Standard (Ind-AS) 19 Employees Benefits

(i) Defined Benefit Plan

Contribution to defined benefit plans recognized as an expense during the year.

INR (In Lakhs)

Particulars	As at March 31,2026	As at March 31, 2025
Employers Contribution to Provident Fund	0.40	0.43
Total	**0.40**	**0.43**

Note 32 : Additional Regulatory Information

Ratio	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	Change in the Ratio
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	1.92	1.77	-8.76%
Debt-Equity Ratio (in times)	Debt consists of borrowings & liabilities	Total Equity	0.93	1.00	-6.73%
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non cash operating expenses + Interest + Other Non Cash Adjustments	Debt Service = Interest and lease payments +Principal repayments	0.18	0.43	-58.99%
Return on Equity Ratio (in %)	Profit for the year	Average Total Equity	13.44%	42.25%	-28.82%
Inventory Turnover Ratio (in times)	Cost of Goods Sold	Average Inventory	20.58	37.39	-44.96%
Trade Receivables Turnover Ratio (in times)	Revenue from operations	Average Trade Receivables	0.51	2.72	-81.10%
Trade Payables Turnover Ratio (in times)	Purchases + Other Direct Expenses	Average Trade Payables	5.64	21.88	-74.22%
Net Capital Turnover Ratio (in times)	Revenue from operations	Working capital (i.e. Total Current Assets less Total Current Liabilities	0.91	4.14	-77.93%
Net Profit Ratio (in %)	Profit for the year	Revenue from operations	14.99%	9.96%	5.04%
Return on Capital Employed (in %)	Profit before tax and finance cost	Capital Employed = NetWorth + Lease Liabilities + Deferred Tax Liabilities	20.33%	57.02%	-36.69%

Reasons for the change in the ratio above 25%:-

1 Company increased its short-term cushion & Imporved, indicating that liquid assets grew at a faster pace than short-term obligations

2. Capital structure became less leveraged, showing a reduced reliance on borrowed funds compared to shareholder equity

3. Capacity to service debt weakened significantly, suggesting that operating cash flows dropped or mandatory debt payments increased

4. Efficiency of generating returns for shareholders deteriorated, pointing to a drop in annual net profits relative to the Average Equity base

5. Companies sales velocity slowed down, indicating that inventory is sitting longer in warehouses or demand for the products decreased

6. Collection efficiency dropped sharply, meaning the company is taking much longer to collect cash from customers or has extended loose credit terms

7. Substantial improvement in profitability due to cost control, better pricing, or revenue growth.

8. The trade payble ratio has been dropped , showing a significantly slower supplier payment velocity
9. Working capital efficiency declined heavily, indicates the business generated far less revenue relative to the short-term capital locked up in operations and substantial extension in the company's average collection cycle
10. Core profitability improved, indicating better cost control, higher pricing power, or lower operating expenses per sale
11. The company's return on capital employed fell because a drop in sales and other income reduced profits while the investment Held steady

Note 33 : Rounding Off

Figures of Current and Previous year are rounded off to nearest thousand, as per the requirements of Schedule III.

Note 34 :

Figures of Previous year have been regrouped / reclassified in order to make them comparable with current year figures, wherever necessary.

Note 35 : Details of Crypto Currency or Virtual Currency

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

Note 36 : Corporate Social Responsibility (CSR)

As per the provisions of section 135 of the Companies Act 2013, the company is not mandatorily required to constitute a Corporate Social Responsibility Committee and spend funds for the Corporate Social Responsibility (CSR) activities. Accordingly, disclosure requirement is not applicable.

Particulars	**Amount (Rs. in lakh)**
CSR amount required to be spent during the year	4.39
Amount spent during the year	Nil
Amount unspent at the end of the year	4.39

Note 37 : Undisclosed Income

The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, disclosure requirement is not applicable.

Note 38 : Other Statutory Information

a) Relationship with Struck Off Companies

Name of struck off Company	**Nature of transactions with struck-off Company**	**Balance outstanding**	**Relationship with the Struck off company,**
There are no transactions and balance outstanding with struck off Company during the year.			

b) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

c) 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:

(ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

As per our report of even date

M/S SHARP AARTH & CO. LLP
Chartered Accountants
FRN: 132748W/W100823

For and on behalf of the Board
Lakhotiya Polyesters(India) Limited

sd/-
Madhusudan S Lakhotiya
Chairman & MD
DIN: 00104576

sd/-
Jayshri M Lakhotiya
Whole Time Director
DIN: 05357609

sd/-
CA Praveen Purohit
Partner
MRN : 429231
UDIN: 26429231GQOHWL9326
Date: April 28, 2026
Place: Nashik

sd/-
Vivek Rathi
Chief Financial Officer

sd/-
Shannu Chaturvedi
Company Secretary

CEO/CFO CERTIFICATION TO THE BOARD

[As per Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, **Mr. Vivek Rathi, Chief Financial Officer (CFO) and Mr. Madhusudan Lakhotia, Managing Director** of Lakhotia Polyedsters (India) Limited ('the Company") appointed in terms of provision of Companies Act 2013, certify to the Board that:

1. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2026, and that to the best of our knowledge and belief:

- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2026 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:

- Significant changes in internal control over the financial reporting during the financial year 2025-26.
- Significant changes in accounting policies during the financial year 2025-26 and that the same have been disclosed in the notes to the financial statements; and
- Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

For Lakhotia Polyesters (India) Limited

sd/-	**sd/-**
Vivek Rathi	**Madhusudan Lakhotia**
Chief Financial Officer	**Managing Director**
	DIN: 00104576

Place: Nashik

Dated: April 28, 2026

Notes

Lakhotia Polyesters (India) Limited
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Website: www.lakhotiapoly.in ; Email: info@lakhotiapoly.in