KAY POWER AND PAPER LTD.

(Formerly Kay Pulp and Paper Mills Ltd.)

Regd. Office & Work : Gat No. 454/457, A/P. Borgaon, Tal./Dist. Satara - 415519.

Mob. : 9763716651/7722034270. E-mail:kpplstr@gmail.com

Website : www.kaypowerandpaper.com CIN : L21099 MH1991 PLC061709

Ref. No. KPPL/BSE/13 /2026-27

Date: - 25th August 2026

To,
Department of Corporate Services,
BSE Limited
P. J. Towers, Dalal Street,
Mumbai: 400001

Sub- Annual Report of FY 2025-26

Dear Sir,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith 35th Annual Report of FY 2025-2026.

35th Annual Report 2025-2026 of the Company will be made available on the Company's website http://www.kaypowerandpaper.com/reports.asp and it is being e-mailed to the Shareholders of the Company today i.e., 25.08.2026.

Please take the same on record.

Thanking You,

Yours Faithfully,
For **KAY POWER AND PAPER LIMITED**

KAY POWER AND PAPER LTD. Reg.No. 061709

SAGAR MOHITE
(Company Secretary & Compliance Officer)

KAY POWER AND PAPER LIMITED



35th Annual Report 2025-2026

KAY POWER AND PAPER LIMITED

(Formerly KAY PULP AND PAPER MILLS LTD.)

BOARD OF DIRECTORS	:	1. Mr. Niraj Chandra- Chairman & Managing Director (upto 01.06.2026) 2. Mrs. Deepa Agarwal - Managing Director (w.e.f 12.08.2026) 3. Ms. Aarushi Chandra - Additional Director (w.e.f 28.05.2026) 4. Mr. Arvind V. Kulkarni - Independent Director 5. Mr. Anilkumar Bidkar - Independent Director 6. Mr. Satish Pharande - Independent Director
COMPANY SECRETARY & COMPLIANCE OFFICER	:	Mr. Sagar Mohite
AUDITORS	:	M/s. Ankush Shinde & Company Chartered Accountants Flat No.100, Padmavati Apartment, 637, Mangalwar Peth, Satara
BANKERS	:	IDBI Bank Ltd. HDFC Bank Ltd.
REGISTERED OFFICE	:	Gat No. 454/457, Village Borgaon, Tal Dist – Satara- 415519 Maharashtra
CORPORATE IDENTITY NO. (CIN)	:	L21099MH1991PLC061709
INVESTOR SERVICE CELL	:	Liaison Office: Plot no. B - 54, OLD MIDC Area, Satara – 415004 Maharashtra Email ID – kppl.secretarial@gmail.com
WEBSITE	:	www. Kaypowerandpaper.com

THIRTY FIFTH ANNUAL GENERAL MEETING

Monday, 21st September 2026

Time	:	**3.00 P.M.**
Venue	:	**Registered Office** Gat No. 454/457, Village Borgaon, Tal Dist-Satara-415519 Maharashtra

NOTICE

NOTICE is hereby given that the 35th (Thirty Fifth) Annual General Meeting of the Members of KAY POWER AND PAPER LIMITED will be held at 3.00 p.m. on Monday, 21st September 2026 at the Registered Office of the Company at Gat No. 454/457, Village Borgaon, Tal. /Dist. Satara - 415519, Maharashtra, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Standalone Audited Financial Statements for the year ended 31st March 2026 including the Reports of the Directors and Auditors thereon.

2. To consider and adopt the Consolidated Audited Financial Statements for the year ended 31st March 2026 including the Report of the Auditors thereon.

3. To appoint M/s. Ankush Shinde & Company, Chartered Accountants, Satara, as the Statutory Auditors of the Company for a term of five consecutive years and to authorize the Board of Directors and/or the Audit Committee to fix their remuneration.

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Audit Committee and the Board of Directors, M/s. Ankush Shinde & Company, Chartered Accountants, Satara (M. No.187866), Chartered Accountants, Satara the Auditors, be and are hereby appointed as the Statutory Auditors of the Company to hold office for a term of five consecutive years, commencing from the conclusion of the 35th Annual General Meeting until the conclusion of the 40th Annual General Meeting of the Company to be held in the calendar year 2031, to conduct the audit of the financial statements of the Company for the financial years 2026–27 to 2030–31, at such remuneration as may be determined by the Board of Directors and/or the Audit Committee of the Company, in addition to reimbursement of applicable taxes and actual out-of-pocket expenses incurred in connection with the audit of the accounts of the Company.

   RESOLVED FURTHER THAT the Board of Directors of the Company and/or the Audit Committee be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS:

Item No. 4: Appointment of Mrs. Deepa Agarwal (DIN:00452947) as Managing Director of the Company

To consider and, if thought fit, to pass the following resolution as special resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Article 160 of the Articles of Association of the Company, and subject to such other approvals as may be necessary, the approval of the members of the Company be and is hereby accorded for the appointment of Mrs. Deepa Agarwal (DIN: 00452947) as the Managing Director of the Company for a period of five (5) years with effect from 12th August 2026, on such terms and conditions as approved by the Board of Directors, without any remuneration, as voluntarily offered by her, with liberty to the Board of Directors to make such alterations or

modifications to the terms and conditions of her appointment as may be necessary**,** subject to the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT in the event that, during the tenure of Mrs. Deepa Agarwal (DIN: 00452947) as the Managing Director, the Board of Directors decides to pay remuneration to her and the Company has no profits or its profits are inadequate in any financial year, the Company may pay such remuneration as may be approved by the Board, subject to the provisions of Sections 197 and 198 of the Companies Act, 2013, read with Schedule V thereto and such other approvals, if any, as may be required.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee thereof) be and is hereby authorised to alter, vary, revise or modify the terms and conditions of appointment and remuneration of Mrs. Deepa Agarwal, including salary, commission, allowances, perquisites and other benefits, if any, from time to time, within the limits prescribed under the Companies Act, 2013, Schedule V thereto and other applicable provisions, and subject to such approvals as may be required.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things and to execute all such documents, instruments and writings as may be necessary or expedient for giving effect to this resolution, including delegating any of its powers to any Committee of the Board or any Director of the Company.

RESOLVED FURTHER THAT any Director of the Company and/or Mr. Sagar Mohite, Company Secretary & Compliance Officer, be and are hereby severally authorised to file the necessary forms with the Registrar of Companies and to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution".

Item No. 5: Appointment of Ms. Aarushi Chandra (DIN: 07274662) as a Director (Non-Executive Non-Independent) of the Company:

To consider and, if thought fit, to approve the appointment of Ms. Aarushi Chandra (DIN: 07274662) as a Director (Non-Executive Non-Independent) of the Company and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') (including any statutory modification or re-enactment thereof for the time being in force), the Companies (Appointment and Qualification of Directors) Rules, 2014 and Articles of Association of the Company, as amended from time to time, Ms. Aarushi Chandra (DIN: 07274662), who was appointed as an Additional Director of the Company, by the Board of Directors of the Company ("the Board"), based on the recommendation of the Nomination and Remuneration Committee with effect from May 28, 2026, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director (Category: Non-Executive, Non-Independent Director) of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution."

Item No. 6: Approval under Section 180 (1) (a) of the Companies Act, 2013 to transfer of the Company's immovable property/ies (land) to wholly owned subsidiary.

To consider and if thought fit, to pass, the

following Resolution as a **Special Resolution:**

"RESOLVED THAT, pursuant to the provisions of Sections 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), and the rules made thereunder, and subject to such approvals, consents, permissions, and sanctions as may be necessary from regulatory and governmental authorities including the stock exchanges, and in accordance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment and statutory Modifications(s) or re-enactment thereof, for the time being in force) and based on the approval/ recommendation of the Audit Committee and the Board of Directors of the Company, consent of the members be and is hereby accorded to the board of directors of the Company to transfer and /or sale of the immovable property (land) situated at post Borgaon, Satara 415519 admeasuring approximately 28000 Sq.mtr adjoining to existing kraft paper division, owned by the Company, to its wholly owned subsidiary company M/s Kay Pulp and Paper Mills Private Limited, at book value or any other value which may be decided by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be authorized to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary transfer/sale agreement(s), sale deed(s), contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this Resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions with regard to the powers herein conferred to, without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

Item No. 7: Approval of Material Related Party Transactions pertaining to Subsidiary of the Company

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable provisions, if any, [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force], the Company's Policy on Materiality of and Dealing with Related Party Transactions, and subject to such approval(s), consent(s) permission(s) as may be necessary from time to time and based on the approval/ recommendation of the Audit Committee and the Board of Directors of the Company, approval of the Members be accorded to the Material Related Party Transaction(s)/Contract(s)/ Arrangement(s)/ Agreement(s) and / or carrying out and / or continuing with existing contracts / arrangements/ transactions or modification(s) of earlier/ arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or series of transactions or otherwise) falling within the definition of 'Related Party Transaction' under Regulation 2(1)(zc) of the Listing Regulations to be entered into by the Subsidiary/(s) of

the Company as detailed in the explanatory statement to this Resolution on such **material** terms and conditions as mentioned therein and as may be mutually agreed between the parties, provided that the said contract(s)/ arrangement(s)/ agreement(s)/ transaction(s) shall be carried out in the ordinary course of business and at an arm's length basis.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalising and executing necessary contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this Resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions with regard to the powers herein conferred to, without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT that all actions taken by the Board of Directors of the Company (including any Committee thereof) in connection with any matter referred to or contemplated in this Resolution, be approved, ratified and confirmed in all respects."

By Order of the Board of Directors
For **KAY POWER AND PAPER LTD.**

DEEPA AGARWAL
Chairman and Managing Director
DIN: 00452947

Place: Satara
Date: 12th August 2026

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

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

2. Brief resume of Directors including those proposed to be appointed and re-appointed, as stipulated under Regulation 36(3) Securities and Exchange Board of India (listing obligations and Disclosure requirements) regulations, 2015, are provided in the annexure I to this notice.

3. The Explanatory Statement according to Section 102 of the Act setting out material facts concerning the business under Item No. 4,5,6 and 7 of the Notice is annexed hereto.

4. Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024, effective from 13 December 2024, Regulation 42 relating to the closure of the Register of Members and Share Transfer Books has been omitted. Accordingly, listed companies are no longer required to close the Register of Members and Share Transfer Books for the purpose of the Annual General Meeting.

5. In case, members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the Meeting so that the information can be made available at the time of the Meeting.

6. Shareholders can send all documents/ transfers, share certificates and all communications directly to Registrar and Transfer Agent at the address given below: -

   M/s. MUFG Intime India Private Limited.,
   (Formerly known as M/s. Link Intime India Private Limited)
   Unit: KAY POWER AND PAPER LTD
   C 101, 247 Park, 1st Floor, L.B.S. Marg,
   Vikhroli (W), Mumbai - 400083.
   Tel No: 022 49186000 (F) 49186060
   Email ID: - rnt.helpdesk@linkintime.co.in .

7. The shares of the Company are compulsorily traded in demat. The shareholders who have not dematerialized their shares are requested to opt for dematerialization of their shareholding by opening DP account with nearest Depository Participant at the earliest, which will facilitate smooth purchase/sale of shares of the Company.

8. The Ministry of Corporate Affairs ("MCA") has started "Green Initiative in Corporate Governance", which provides paperless compliances by companies through electronic mode. In accordance with provisions of Companies Act 2013, and as per the regulation 36 (1) Securities and Exchange Board of India (listing obligations

and Disclosure requirements) regulations, 2015 companies can now send documents and other notices to shareholders through electronic mode to promote paperless compliances. Hence the Notice of the 35th AGM and the Annual Report for the year ended 31st March 2026 including therein the Audited Financial Statements for year ended 31st March 2026, are sent only by email to the Members.

Therefore, we request the Members who have not registered or updated their e-mail addresses so far to register/update their e-mail address with their Depository Participants (DP). Members holding shares in physical mode can then download E-Communication Registration Form from our company's website fill up the same and send to the Registrar and Share Transfer Agent (RTA) on given address or Email- rnt.helpdesk@linkintime.co.in or kppl.secretarial@gmail.com.

All the communication i.e. Annual Report, Notices and other documents shall be sent to all registered shareholders in electronic form. Please note that these documents shall also be available at the Company`s website www.kaypowerandpaper.com for downloading.

However, Members who are desirous of obtaining hard copy of the Notice, Annual Reports and other documents may forward their written request to the Company/RTA for the same.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN and Bank Account details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details and Bank Account Details to the Company or RTA.

10. Members are requested to note that SEBI vide circular dated November 3, 2021, and March 16, 2023 has mandated that Members holding shares in physical mode are required to update the following with the Company/RTA:

1. Self-attested copy of the PAN Card;

2. KYC details containing address, mobile number, e-mail address, bank account details;

3. Nomination details.

Members holding shares in physical mode, who have not registered their above particulars are requested to register the same with the Company/RTA at the earliest.

11. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/ mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

12. Members attending the Annual General Meeting are requested to bring the following for admission to the meeting hall (as applicable).

a) Attendance Slip duly completed and signed as per the specimen signature lodged with the Company.

b) Members holding shares in dematerialized form, their DP and Client ID number(s).

c) Members holding shares in physical form, their folio number(s).

d) Copy of the Annual Report (2025-26).

13. Members holding shares in physical form are requested to notify immediately any change in their address along with address proof, i.e. Electric/ Telephone Bill, Driving License or a copy of the Passport and bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the Company/ RTA.

14. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to an Individual Member. Members holding shares in physical form may utilize the nomination facility available by sending prescribed Form SH. 13 duly filled to our Registrars and Share Transfer Agents Viz. M/s. MUFG Intime India Private Limited, (formerly known as M/s. Link Intime India Private Limited) Unit: - Kay Power and Paper Limited, C 101, 247 Park, 1st Floor, L.B.S. Marg, Vikhroli (W), Mumbai - 400083. Members holding shares in dematerialized form has to send their "nomination" request to the respective Depository Participants.

15. In all correspondence with the Company, members are requested to quote their account/ folio numbers and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID. No(s).

16. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialised form with effect from 1st April 2019. In view of the above, members are advised to dematerialise shares held by them in physical form.

17. Voting through Electronic Means

a) In compliance with the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rule 2014 as amended by the Companies (Management and Administration) Amendment Rules 2015, the Company is offering e-voting facility to all its Members to enable them to exercise their right to vote on all matters listed in this Notice of 35th AGM by electronic means and the business may be transacted through e-voting services. The facility of casting votes by the members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') will be provided by Central Depository Services (India) Limited (CDSL).

b) The facility for voting through ballot paper or polling paper shall be made available at the AGM venue also and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot/ Polling paper.

c) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

For this purpose, the Company has entered into an Agreement with Central

Depository Services (India) Limited (CDSL) for facilitating e-voting.

d) The voting period begins on Friday, 18th September 2026 at 9.00 am and ends on Sunday, 20th September 2026 at 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 14th September 2026 may cast their vote electronically. The e-voting which they module shall be disabled by CDSL for voting thereafter.

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

Step 1 : Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode**.**

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode

(i) The voting period begins on Friday, 18th September 2026 at 9.00 am and ends on Sunday, 20th September 2026 at 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Monday September 14th, 2026, may cast their vote electronically. The e-voting which they module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/ HO/CFD/CMD/CIR/P/2020/242** dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/ NSDL e-Voting system in case of individual shareholders holding shares in demat mode**.**

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) 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 (Tokan) Tab.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3) 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) Tab and then click on registration option.
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	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.

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

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

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

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) (v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.
2) Click on “Shareholders” module.
3) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

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

(vii) 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.

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

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

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

(xii) 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.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

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

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to

the Scrutinizer and to the Company at the email address viz; kppl.secretarial@gmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id.**

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

   If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

18. The Scrutinizer shall, after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting and vote cast through ballot paper on the date of the meeting, count the same, and count the votes cast during the AGM, and shall make, not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith. The Scrutinizer's decision on the validity of the votes shall be final.

19. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.kaypowerandpaper.com and on the website of CDSL www.evotingindia.com, immediately after declaration of the result and shall also be communicated to the Stock Exchanges where the shares of the Company are listed i.e. BSE and be made available on their websites viz. www.bseindia.com

20. Contact details: -

Company	KAY POWER AND PAPER LIMITED Reg off: - Gat No. 454/457, Village Borgaon, Tal./Dist. Satara - 415 519 Website- www.kaypowerandpaper.com, Email- kppl.secretarial@gmail.com Ph: 7722034270 CIN- L21099MH1991PLC061709
RTA	M/s MUFG Intime India Private Limited (formerly known as M/s. Link Intime India Private Limited)., Unit: KAY POWER AND PAPER LTD C 101, 247 Park, 1st Floor, L.B.S. Marg, Vikhroli (W), Mumbai - 400083. Tel No: 022 49186000 (F) 49186060 Email ID: rnt.helpdesk@linkintime.co.in.
e-Voting Agency	Central Depository Services (India) Limited Email ID: helpdesk.evoting@cdslindia.com Phone No. 1800 21 09911
Scrutinizer	Neha Doshi & Co. Company Secretaries. Email ID: companysecretaries1@gmail.com

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 4

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, had approved the appointment of Mrs. Deepa Agarwal (DIN: 00452947) as the Managing Director and Key Managerial Personnel of the Company for a period of 5 (Five) years commencing from 12/08/2026 and ending on 11/08/2031, subject to the approval of the Members of the Company.

Mrs. Deepa Agarwal possesses extensive experience, knowledge and expertise in the field of management, administration, business operations and strategic planning. Considering her leadership capabilities and valuable contribution to the growth and development of the Company, the Board is of the opinion that her continued association as Managing Director would be beneficial to the Company.

The appointment and remuneration of Mrs. Deepa Agarwal are governed by the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereto and the Rules made thereunder. The remuneration payable to her shall be within the limits approved by the Board of Directors and in accordance with the provisions of the Companies Act, 2013.

In the event of absence or inadequacy of profits in any financial year during her tenure, Mrs. Deepa Agarwal shall be entitled to receive minimum remuneration in accordance with the provisions of Schedule V of the Companies Act, 2013, as amended from time to time.

The principal terms and conditions of appointment of Mrs. Deepa Agarwal are available for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of the Annual General Meeting.

Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings, the relevant details of Mrs. Deepa Agarwal are provided in the Annexure forming part of the Notice.

The Board of Directors recommends the Special Resolution set out at Item No. 4 of the Notice for approval of the Members.

Except Mrs. Deepa Agarwal and her relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Item No. 5

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Aarushi Chandra (DIN: 07274662) as an Additional Director (Non-Executive, Non-Independent Category) of the Company with effect from May 28, 2026, pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company.

In accordance with the provisions of Section 161 of the Companies Act, 2013, Ms. Aarushi Chandra holds office as an Additional Director only up to the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as a Director of the Company.

The Company has received from a member a notice in writing under Section 160(1) of the Companies Act, 2013 proposing the candidature of Ms. Aarushi Chandra for the office of Director of the Company. The Company has also received the necessary consent in Form DIR-2 and declaration confirming that she is not disqualified from being appointed as a Director under the provisions of Section 164 of the Companies Act, 2013.

Ms. Aarushi Chandra possesses valuable experience and expertise in the areas of business management, corporate affairs and strategic planning. The Board is of the opinion that her knowledge, experience and guidance will be of significant value to the Company and will strengthen the Board's overall effectiveness.

In terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings, the relevant details of Ms. Aarushi Chandra, including her brief profile and other required disclosures, are provided in the Annexure to the Notice convening this Annual General Meeting.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

Except Ms. Aarushi Chandra and her relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution set out at Item No. 5 of the Notice.

Item no. 6

As per Section 180(1)(a) of the Companies Act, 2013, the Company cannot sell, lease, or otherwise dispose of the whole or substantially the whole of the undertaking of the Company without the approval of the members by way of a special resolution.

The Company owns immovable property (land) situated at At post Borgaon, Tal/Dist: Satara admeasuring approximately 28000 Sq.Mtr.

The board of directors in it meeting held on 12th August 2026 approved the transfer or sale of said immovable property to the wholly owned subsidiary company M/s. Kay Pulp and Paper Mills Private Limited to develop and utilization of the land for setting up 75000 TPA Kraft manufacturing plant with following justification.

Justification for Transfer of Assets to Wholly Owned Subsidiary

The Board proposes to transfer certain assets of the Company to its wholly owned subsidiary, M/s. Kay Pulp and Paper Mills Private Limited, at book value, The justification for such transfer is as follows:

1. **Internal Restructuring for Business Efficiency**

   The transfer is part of a group-level internal restructuring exercise aimed at streamlining operations and consolidating specific business functions or assets under a dedicated entity. This enhances operational focus and efficiency within the group.

2. **No Realization of Gain or Loss – Transfer at Book Value**

   The assets are being transferred at book value, ensuring no gain or loss is recognized in the books of the Company. The transaction is a mere reallocation of resources within the same corporate group and does not involve any mark-up or diminution in asset values.

3. **Regulatory and Tax Compliance**

   The transaction is being carried out in compliance with applicable provisions of the

Companies Act, 2013, including Sections 180(1)(a) and 188, and in accordance with applicable accounting and tax laws. Transfer at book value and without consideration ensures tax neutrality under provisions such as Section 47(iv) of the Income Tax Act, 1961 (transfer of assets from holding company to wholly owned subsidiary).

4. No Adverse Impact on Stakeholders

The transaction does not affect the interests of shareholders or creditors, as the financial and operational position of the Company remains intact. The assets continue to be controlled at the consolidated group level, and the transfer will not impair the Company's ability to meet its obligations.

5. Alignment with Accounting Standards (Ind AS 110)

From a financial reporting perspective, the assets remain within the consolidated financials of the group, and the transfer at book value maintains transparency and consistency in financial disclosures.

Additionally, since the proposed transfer will be made to a wholly owned subsidiary company, it will fall under the definition of 'related party' in terms of Section 2(76) of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, transactions with wholly owned subsidiaries are exempt from related party transaction approval requirements, but the same are disclosed herein for the transparency of members.

The Board of Directors recommends the resolution set out in the accompanying Notice for the approval of the members as a Special Resolution.

None of the Directors, Key Managerial Personnel, and their relatives, except to the extent of their shareholding, if any, in the Company and in the wholly owned subsidiary, are concerned or interested in the proposed resolution.

Item no. 7

Pursuant to the provisions of Section 188(1) of the Companies Act, 2013, read with applicable rules made thereunder, and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in accordance with the Company's Policy on Materiality of and Dealing with Related Party Transactions, any material related party transaction shall require the prior approval of the shareholders of the Company by way of an Ordinary Resolution, even if such transactions are in the ordinary course of business and on an arm's length basis.

As per Regulation 23(1), a "Material Related Party Transaction" is one that, either individually or taken together with previous transactions during a financial year, exceeds ₹1,000 crore or 10% of the annual consolidated turnover of the Company, whichever is lower, as per the last audited financial statements.

Under the Listing Regulations, in addition to the approval and reporting for transactions by the Company with its own Related Party(ies), the scope extends to transactions by the Company with Related Party(ies) of any subsidiary(ies) of the Company or transactions by a subsidiary(ies) of the Company with its own Related Party(ies) or Related Party(ies) of the Company or Related Party(ies) of any subsidiary(ies) of the Company.

Given the nature of the Company's presence in multiple businesses, the Company works closely with its subsidiaries and associates to achieve its business objectives and enters into various operational transactions with its related parties, from time to time, in

the ordinary course of business and on an arm's length basis.

Amongst the transactions that the Company enters into with its related parties, the estimated value of the contract(s)/ arrangement(s)/ agreement(s)/ transaction(s) of the Company with the Related Party mentioned below and also the 'Related Party Transactions' under Regulation 2(1) (zc) of the Listing Regulations pertaining to Subsidiaries of the Company, may exceed the threshold of Material Related Party Transactions within the meaning of Regulation 23(1) of the Listing Regulations i.e.10% (ten per cent) of the annual turnover of the Company as per the last audited financial statements of the Company or any modifications thereof.

The Audit Committee and the Board of Directors of the Company have reviewed and approved the proposed material related party transactions at their respective meetings held on12th August 2026, after due evaluation of the terms, conditions, and supporting documents.

Details of the Material Related Party Transactions pertaining to Subsidiaries/ related party of the Company:

Sr. No.	Particulars		Disclosures		
1.	Name of the Related Party; Nature of relationship with the Subsidiary, including nature of its concern or interest (financial or otherwise); and Monetary Value	Name of the Subsidiary	Name of the Related Party	Monetary value	Nature of Relationship
		M/s. Kay Pulp and Paper Mills Private Limited	Satara Engineering Project and Equipments Limited	**Not exceeding Rs. 50 Crores**	Mrs. Deepa Agarwal has substantial holding as well as holding directorship in the M/s. Satara Engineering Project and Equipments Limited
2.	**Type/Nature, material terms and particulars of the contract or arrangements**				
	Satara Engineering Project and Equipments Limited				Monetary values Rs. in crores
	To purchase and install plant and machinery for the manufacture of Kraft Paper for establishing a new manufacturing facility with an installed production capacity of 75,000 TPA (Tonnes Per Annum) .				Rs. 50.00 Crores
3.	Any advance paid or received for the contract or arrangement, if any				Based on the nature of transaction, advance for part or full amount of the transaction/ arrangement could be paid in the ordinary course of business.
4	Tenure				Till the completion of transaction.

Sr. No.	Particulars	Disclosures
5.	Justification for why the proposed transaction is in the interest of the Company	M/s. Kay Pulp and Paper Mills Private Limited is a newly incorporated wholly owned subsidiary company of Kay Power and Paper Limited. The main business of the subsidiary company is to manufacture, produce, process, convert, purchase, sell, import, export, distribute, stock, market, retail, wholesale, trade and otherwise deal in all kinds of paper, paper boards, pulp, waste paper, recycled paper, kraft paper, tissue paper, specialty paper, corrugated paper, packaging paper, stationery products, packaging materials and all other paper products and articles made therefrom, and to manufacture, purchase, sell, import, export and otherwise deal in all raw materials, chemicals, additives, consumables, machinery, plant, equipment, spare parts and accessories used in or required for the manufacture, processing, conversion, finishing, packaging and trading of paper, paper boards, pulp and allied products.. The revenue of the subsidiary company will be consolidated in the balance sheet of Kay Power and Paper Limited. In view of the above, it is proposed to seek approval of the Members for Related Party Transactions entered/to be entered into between related party and subsidiary company.
6.	**The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as a part of the contract**	The related party transactions will be in line with the Company's Policy on Materiality of and Dealing with Related Party Transactions. These transactions will be on an arm's length basis and in the ordinary course of business. The related party transactions will be supported by the Valuation Report of an Independent valuer, wherever necessary. **Arms' Length Basis:** The Company ensures that the related party transactions are done on arms' length basis which are established taking into account various factors including comparable with unrelated parties or on cost plus reasonable margin basis or market price basis, where available, or certified by any independent agency.

As per the process, necessary details for each of the Related Party Transactions as applicable along with the justification are provided to the Audit Committee in terms of the Company's Policy on Materiality of and Dealing with Related Party Transactions and as required under SEBI Circular(s). Further, a Certificate from the Managing Director & Chief Executive Officer and Group Chief Financial Officer of the Company confirming that the Related Party Transactions are in the ordinary course of business of the Company and on an arm's length basis is also placed before the Audit Committee.

The Related Party Transactions placed for Members' approval shall also be reviewed/ monitored on quarterly basis by the Audit Committee of the Company as per Regulation 23 of the Listing Regulations and section 177 of the Companies Act, 2013 and shall remain within the proposed amount(s) being placed before the Members.

Any subsequent material modifications in the proposed transactions, as defined by the Audit Committee as a part of the Company's Policy on Materiality of and Dealing with Related Party Transactions,

shall be placed before the Members for approval, in terms of Regulation 23(4) of the Listing Regulations.

The Related Party Transactions placed for Members' approval are specific in nature and have been approved by the Audit Committee and Board of Directors of the Company.

As per second proviso to section 188 (1) of the Companies Act 2013 and provisions of the Listing Regulations, if any member is a related party in any contract or arrangement, then that party shall not vote in the resolution, wherein such contract or arrangement is considered for approval. Therefore, Mrs. Deepa Agarwal, Director of the company and their relatives and associates will not vote on the above resolution.

Except above, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested in the said Resolution.

The Board recommends the Ordinary Resolution set out in Item No.7 of the Notice for approval by the shareholders.

By Order of the Board of Directors
For **KAY POWER AND PAPER LTD.**

DEEPA AGARWAL
CHAIRMAN AND MANAGING DIRECTOR
DIN: 00452947

Place: Satara
Date: 12th August 2026

Annexure

DETAILS OF DIRECTOR SEEKING APPOINTMENT/REAPPOINTMENT

[Pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard–2 on General Meetings]

1	**Name of Director**	**Ms. Deepa Agarwal**	**Ms. Aarushi Chandra**
2	Designation	Managing Director	Non-Executive non-Independent Director
3	Date of Birth/ Age	25/07/1966	03/06/1996
4	Nationality	Indian	Indian
5	Qualification	B.A (Hons.)	Architect
6	Experience (Including nature of expertise in specific functional areas/Brief Resumes	Mrs. Deepa Agarwal, wife of Mr. Niraj Chandra is B.A. (hons.) and belongs to a reputable business family. She is actively involved in the operations of Private Limited Companies and holds directorships in fourteen other companies. She holds 2286800 shares in the company.	Ms. Aarushi Chandra is an Architect and Designer with a bachelor's degree in architecture from The Sushant School of Art & Architecture (SSAA), India, and has pursued design studies at Parsons School of Design, New York, USA, and Central Saint Martins – University of the Arts London, UK. She has worked with reD (Research & Enquiry into Design), a Mumbai-based architectural firm, and has been involved in various architecture and interior design projects across North India, including master planning work for a sugar factory project in Tanzania, Africa.
7	Terms and conditions of appointment and re-appointment	Managing Director	Non-executive Director retires by rotation.
8	Details of remuneration sought to be paid	NIL	NIL
9	Date of First appointment on the Board	30/09/2000	28/05/2026
10	Shareholding in the company (Equity Shares of Rs 10 each)	2286800	Nil
11	Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Mrs. Deepa Agarwal is related to Ms. Aarushi Chandra being her mother, except this, no director is related to any other director on the board.	Ms. Aarushi Chandra is daughter of Mrs. Deepa Agarwal Managing Director of the Company, and is not debarred from holding the office of Director by virtue of any order of SEBI or any other such authority.

1	Name of Director	Ms. Deepa Agarwal	Ms. Aarushi Chandra
12	**Directorship held in other companies**	Yes 1. Kay Amines and Sugars Private Limited 2. Kay Nitroxygen Pvt Ltd 3. Kay Chandra Iron Engineering Works Private Limited 4. Satara Engineering Projects and Equipment's Limited 5. Supa Medical and Industrial Gases Private Limited 6. Chandra Trading and Investment Pvt. Ltd. 7. Kay Inns and Investment Private Limited 8. Kay Industrial Gases Private Limited 9. Nisaba Education Technologies Private Limited 10. Halkarni Medical and Industrial Gases Private Limited 11. Ratnagiri Medical and Industrial Gases Private Limited. 12. Satara Air Products Private Limited 13. Kay Chandra Capital and Investment Private Limited 14. KNPL Investment Private Limited	Yes 1. Kay Nitroxygen Pvt Ltd 2. Kay Chandra Iron Engineering Works Private Limited 3. Satara Engineering Projects and Equipment's Private Limited 4. Supa Medical and Industrial Gases Private Limited 5. Kay Inns and Investment Private Limited 6. Ratnagiri Medical and Industrial Gases Private Limited. 7. Satara Air Products Private Limited 8. Kay Chandra Capital and Investment Private Limited 9. Kay Inns Private Limited 10. KNPL Investment Private Limited
13	List of Membership /Chairmanship of committees of the Board	Nomination and remuneration committee (Member) Stakeholder's relationship committee (Chairman)	NA

1	Name of Director	Ms. Deepa Agarwal	Ms. Aarushi Chandra
14	Skills and capabilities required for the role and manner in which the proposed appointee meets such requirements	1. Strategy and Strategic Planning 2. Corporate Communications 3 Community and stakeholder engagement 4. Financial performance. 5. Geographic, Gender and cultural diversity 6. Governance	1. Corporate Communications 2. Community and stakeholder engagement 3. Financial performance 4. Governance
15	Summary of Performance, Evaluation / Justification for choosing the appointee for appointment as independent director/ director	She has the required skill which are required for carrying the role of director of the company as mentioned in the above sr no. 14	She has the required skill which are required for carrying the role of director of the company as mentioned in the above sr no. 14
16	Listed entities from which the Director has resigned from Directorship in last 3 (three) years.	NA	NA

DIRECTORS' REPORT

Dear Members,

Your directors take pleasure in presenting the Thirty-Fifth (35th) Annual Report on the business and operations of your Company and Audited Financial Statement for the year ended 31st March 2026.

FINANCIAL RESULTS:

(Rs. in lacs)

	Standalone		Consolidated	
	2025-26	2024-25	**2025-26**	2024-25
Financial Year				
Revenue from operations (Net)	**2438.04**	4043.59	**2438.04**	4043.59
Other Income	**54.68**	242.12	**54.68**	242.12
Total Revenue	**2492.72**	4285.71	**2492.72**	4285.71
Less: Expenses				
Cost of material consumed	**1417.24**	2976.21	**1417.24**	2976.21
Changes in Inventories of finished Goods & Work in Progress	**24.66**	-18.89	**24.66**	-18.89
Manufacturing Expenses	**478.47**	724.90	**478.47**	724.90
Employee Benefit Cost	**142.89**	132.50	**142.89**	132.50
Finance cost	**0.16**	-0.99	**0.16**	-0.99
Depreciation and amortization Expenses	**200.97**	143.92	**200.97**	143.92
Other Expenses	**127.32**	215.54	**127.32**	215.54
Total Expenses	**2391.70**	4173.19	**2391.70**	4173.19
Exceptional Items	**0.00**	0.00	**0.00**	0.00
Net Profit Before Tax	**101.02**	112.52	**101.02**	112.52
Less:- Income tax provision	**0.00**	0.00	**0.00**	0.00
Net Profit After Tax	**101.02**	112.52	**101.02**	112.52

OPERATIONS:

During the year under review, the Paper Division produced 5,877.902 MT of kraft paper as against 12,797.325 MT in the previous year.

The Company achieved total sales of ₹2,438.04 lakhs during the year under review, as compared to ₹4,043.59 lakhs in the previous year.

During the year, the Company experienced fuel-feeding issues with its boiler. Despite the management's continuous efforts to resolve the issue, the plant remained non-operational for 190 days, which adversely impacted the Company's manufacturing operations.

Further, during the last quarter of the financial year, a fire incident occurred on 12 March 2026 at the Company's premises situated at Gat Nos. 454/457, Village Borgaon, Satara – 415519. The fire broke out in the Company's external open storage facility used for storing wastepaper, a key raw material for the manufacturing process, and also damaged certain machineries installed adjacent to the storage facility, along with electrical installations. As informed, the fire originated from the adjoining premises of an agricultural school and subsequently spread to

the Company's open storage facility and nearby machineries. Consequently, the manufacturing operations remained suspended from 12th March 2026 until 2nd May 2026.

As a result of the above factors, the Company's production and sales during the year under review were significantly affected and consequently declined compared to the previous year.

In the consolidated financial statements for FY 2025–26, no revenue has been recognized from the Company's wholly owned subsidiary, M/s. Satara Aerospace and Defence Industrial Park Private Limited, as the subsidiary did not undertake any revenue-generating operations during the year. Accordingly, there is no difference in the revenue figures reported in the standalone and consolidated financial statements for the reporting period.

PROSPECTS:

The Company has established a strong and widespread dealer network across Western and Southern India for the sale of its paper products. It continues to focus on expanding and deepening this network to enhance market penetration and secure new orders for Kraft paper. During the year, the Company was able to sell its entire production without any inventory overhang, indicating consistent demand and efficient supply chain management.

The Company offers a diverse range of Kraft paper products, ranging from 80 GSM to 180 GSM, catering to varied customer needs across sectors such as food packaging, e-commerce, industrial wrapping, and corrugated box manufacturing. This product flexibility enables the Company to serve a broad customer base and quickly adapt to evolving market demands.

The market for Kraft paper has shown strong signs of recovery and sustained growth, particularly in the industrial and sustainable packaging sectors. With growing environmental awareness and increasing regulatory restrictions on plastic and wood-based packaging, Kraft paper has emerged as a preferred eco-friendly alternative. This trend is expected to accelerate, creating favorable market conditions for the Company's core products.

RESERVE AND SURPLUS

An amount of ₹101.02 lakhs is proposed to be retained in the surplus under Reserves and Surplus for the financial year 2025–26. This retention will strengthen the Company's internal accruals and support future business needs, including working capital requirements and potential investments.

STATEMENT ON RISK MANAGEMENT POLICY:

In compliance with the provisions of the Companies Act, 2013, the management of the Company has duly adopted a Risk Management Policy. The policy outlines a structured approach to identifying, assessing, and mitigating various risks that could potentially impact the Company's operations or threaten its long-term sustainability.

The management has taken adequate measures to ensure the effective implementation of this policy by identifying key risk areas, including operational, financial, regulatory, and strategic risks. Appropriate mitigation strategies have been put in place to address these risks and safeguard the Company's interests.

DIVIDEND:

In view of the modest profit for the year and the accumulated losses carried forward from previous years, the Board of Directors has decided not to recommend any dividend for the financial year 2025–26. This decision is in line with the Company's focus on preserving resources and strengthening its financial position.

MATERIAL CHANGES AND COMMITMENT

There have been no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year and the date of this

report. The financial position of the Company remains stable during this period.

NATURE OF BUSINESS

There has been no change in the nature of the Company's business during the financial year under review. The Company continued to operate in its existing line of business without any diversification or restructuring.

DEPOSITS:

During the financial year under review, the Company has not accepted or renewed any deposits from the public in terms of Sections 73 and 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provisions relating to Corporate Social Responsibility under Section 135 of the Companies Act, 2013 are not applicable to the Company during the financial year under review. Accordingly, the Company has not developed or implemented any CSR initiatives for the said period.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the financial year under review, the Company has not made any loans, given any guarantees, or made any investments that fall within the scope of Section 186 of the Companies Act, 2013, requiring compliance.

However, the Company has made investments and extended a loan to its wholly owned subsidiary, which is exempt from the provisions of Section 186 pursuant to the exemptions provided under the Act. Accordingly, no disclosure under Section 186 is applicable for the said transactions.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year under review, the Company has entered into material contracts/arrangements with related parties, which required prior approval of the Board and/or shareholders, in accordance with the provisions of Section 188(1) of the Companies Act, 2013 and applicable rules.

In compliance with Section 188(2) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the prescribed disclosure in Form AOC-2 is appended to this Board's Report as Annexure I.

The Policy on Related Party Transactions (RPT), as approved by the Board of Directors, is available on the Company's website at: www.kaypowerandpaper.com.

The Policy is designed to ensure that appropriate procedures are in place for reporting, reviewing, approving, and disclosing all transactions entered into between the Company and its related parties. It aims to address any actual or potential conflict of interest that may arise in such transactions.

All related party transactions are placed before the Audit Committee for prior review and approval. For transactions that are repetitive in nature and entered into in the ordinary course of business and at arm's length, the Company obtains prior omnibus approval from the Audit Committee, in accordance with applicable provisions.

Additionally, all related party transactions are subject to independent verification by the statutory auditors to ensure compliance with the relevant provisions of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your directors draw attention to Note No. 32 of the financial statements, which contains the details of related party transactions entered into during the financial year under review.

SUBSIDIARY COMPANY

1. Satara Aerospace and Defence Industrial Park Private Limited

The Company has wholly owned subsidiary, namely Satara Aerospace and Defence Industrial Park Private Limited, which was incorporated on 5th June 2024.

The subsidiary is engaged in the development of an industrial park with integrated infrastructure facilities, including land development, construction of civil structures, internal roads, power and water supply systems, warehousing, logistics support, built-to-suit factory buildings, and other related construction services. The subsidiary also proposes to provide consultancy and support services for the establishment and operation of industrial units, including liaison with statutory authorities, security services, parking facilities, food courts, sewerage and effluent treatment systems, telecom infrastructure, and other ancillary maintenance services.

During the financial year ended 31st March 2026, the subsidiary continued to pursue its objectives in line with its business plan. There was no material change in the nature of the business carried on by the subsidiary during the year under review.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary in Form AOC-1 forms part of this Annual Report as **Annexure II.**

The subsidiary does not qualify as a "Material Subsidiary" in terms of Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of transactions undertaken between the Company and its subsidiary during the year have been disclosed in the financial statements and the related notes forming part of the Annual Report, in compliance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, and the Accounting Standards.

The Consolidated Financial Statements of the Company have been prepared in accordance with the applicable Accounting Standards and form an integral part of this Annual Report. The audited financial statements of the subsidiary have been consolidated with those of the Company and are covered in the Consolidated Financial Statements. A statement in Form AOC-1 containing the salient features of the financial statements of the subsidiary is attached as a separate annexure to this Report.

Pursuant to Section 136 of the Companies Act, 2013, the audited standalone and consolidated financial statements of the Company, together with the audited financial statements of the subsidiary and other relevant documents, are available on the Company's website at www.kaypowerandpaper.com.

2. Kay Pulp and Paper Mills Private Limited

The Company incorporated its wholly owned subsidiary, Kay Pulp and Paper Mills Private Limited, on 15th July 2026, after the close of the Financial Year 2025–26, with the objective of establishing a state-of-the-art kraft paper manufacturing plant. The proposed facility will be equipped with modern machinery and advanced manufacturing technology and will have an installed production capacity of 75,000 TPA (Tonnes Per Annum).

The project is expected to be commissioned during the Financial Year 2027–28. Commercial production is anticipated to commence thereafter, and the financial performance of the subsidiary is expected

to be reflected in the consolidated financial statements of the Company from the Financial Year 2028–29 onwards.

JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company does not have any joint venture or associate companies.

FINANCIAL STATEMENTS:

The audited Standalone and Consolidated Financial Statements of the Company, which form an integral part of this Annual Report, have been prepared in compliance with the applicable provisions of the Companies Act, 2013, and in accordance with:

- Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- The applicable provisions of the Indian Accounting Standards (Ind AS), including Ind AS 110 – Consolidated Financial Statements, as prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

These financial statements present a true and fair view of the financial position and performance of the Company and its subsidiary for the financial year ended 31st March 2026.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the financial year under review, there was no change in the composition of the Board of Directors and the Key Managerial Personnel of the Company. However, the following changes took place after the close of the financial year:

1. **Resignation of Mr. Niraj Chandra:** Mr. Niraj Chandra resigned from the office of Managing Director and Director of the Company with effect from 1st June, 2026. The Board places on record its sincere appreciation for his valuable contribution and services rendered during his tenure with the Company.
2. **Appointment of Ms. Aarushi Chandra:** Ms. Aarushi Chandra was appointed as an Additional Director of the Company with effect from 28th May 2026, to hold office up to the date of the ensuing Annual General Meeting ("AGM") in accordance with the provisions of the Companies Act, 2013. Being eligible, she has offered herself for appointment as a Director of the Company. The necessary resolution seeking the approval of the Members for her appointment forms part of the Notice convening the 35th Annual General Meeting.
3. **Appointment of Mrs. Deepa Agarwal as Managing Director:** Mrs. Deepa Agarwal was appointed as the Managing Director of the Company with effect from 12th August 2026, subject to the approval of the Members at the ensuing Annual General Meeting The necessary resolution seeking Members' approval for her appointment forms part of the Notice convening the 35th Annual General Meeting.

   Furthermore, during the financial year ended 31st March 2026, none of the Directors of the Company was debarred or disqualified from being appointed or continuing as a Director by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA), or any other statutory or regulatory authority.

CHANGES IN CAPITAL STRUCTURE

During the financial year under review, the following changes took place in the capital structure of the Company:

- During the year, upon receipt of the balance subscription amount from the respective warrant holders, the Company allotted **97,50,000 equity shares** on **6th October 2025** and 31,00,000 equity shares on **11th October 2025,** pursuant

to the conversion of an equivalent number of Convertible Warrants into fully paid-up equity shares of the Company.

- The balance **16,00,000 Convertible Warrants** were not exercised within the stipulated period of 18 months from the date of their allotment and, accordingly, stood **forfeited on 16th October 2025,** in accordance with the terms of issue and the applicable provisions of the Companies Act, 2013 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- Consequent to the above allotments, the paid-up equity shares capital of the Company increased from **₹22,09,00,000,** comprising **2,20,90,000** equity shares of ₹10/- each, to **₹34,94,00,000,** comprising **3,49,40,000** equity shares of ₹10/- each.

The aforesaid Convertible Warrants were originally allotted on a preferential basis on **15th April 2024**, pursuant to the approval of the Members and in accordance with the applicable provisions of the Companies Act, 2013, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable laws.A total of **2,59,00,000 Convertible Warrants** were allotted to promoters and non-promoters at an issue price of **₹30.10 per warrant** (including a premium of ₹20.10 per warrant), each warrant being convertible into one fully paid-up equity share of face value ₹10/- within a period of 18 months from the date of allotment.

The Company has complied with all applicable provisions of the Companies Act, 2013, the SEBI (Issue of Capital and Disclosure Requirements Regulations, 2018 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the aforesaid allotments, conversion of warrants into equity shares and forfeiture of unexercised warrants.

Utilization Of Funds

The funds raised through the preferential issue of warrants and conversion thereof have been utilized for the purposes stated in the offer, and there has been no deviation or variation in the utilization of proceeds. These actions were under taken in compliance with applicable laws and regulatory requirements and have significantly strengthened the capital base of the Company to support its future growth initiatives.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors is required to monitor and review the Board evaluation framework. The Act also mandates that a formal annual evaluation be carried out by the Board of its own performance, that of its committees, and of individual directors.

Accordingly, during the year under review, the evaluation of the performance of the Board as a whole, its committees, and individual Directors was conducted, based on the criteria and framework approved by the Board, covering various aspects such as composition, effectiveness, structure, participation, decision-making, and overall functioning.

The evaluation process has been detailed in the Corporate Governance Report, which forms part of this Annual Report. The Nomination and Remuneration Committee collated the evaluation results, which were reviewed and approved by the Board.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR:

The Company had 7 (Seven) Board meetings during the financial year under review (30.05.2025, 12.08.2025, 06.10.2025, 11.10.2025, 12.11.2025, 16.10.2025, and 14.02.2026). The details of attendance of the Directors at these meetings are provided in the Corporate Governance Report, which forms

part of this Annual Report. The interval between any two consecutive meetings was within the statutory limit prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of 31st March 2026 and of the profit and loss of the company for that period;

(c) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) We have prepared the annual accounts on a going concern basis; and

(e) We have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS:

During the year under review, M/s. R. Y. Kulkarni & Associates (Membership No. 036596), Chartered Accountants, Pune, resigned as the Statutory Auditors of the Company with effect from 3rd February 2026.

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors, on the recommendation of the Audit Committee, appointed M/s. Ankush Shinde & Company (Membership No. 187866), Chartered Accountants, Satara, as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of the previous Statutory Auditors. They shall hold office until the conclusion of the 35th Annual General Meeting of the Company. The said appointment to fill the casual vacancy shall not be construed as forming part of the term of appointment of the Statutory Auditors under Section 139 of the Companies Act, 2013.

Further, based on the recommendation of the Audit Committee, the Board of Directors has proposed the appointment of M/s. Ankush Shinde & Company (Membership No. 187866), Chartered Accountants, Satara, as the Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 35th Annual General Meeting until the conclusion of the 40th Annual General Meeting of the Company to be held in the year 2031, to conduct the audit of the financial statements of the Company for the financial years 2026–27 to 2030–31, subject to the approval of the members.

The necessary resolution seeking the approval of the members for the appointment of M/s. Ankush Shinde & Company as the Statutory Auditors of the Company is set out in the Notice convening the 35th Annual General Meeting.

AUDITORS' REPORT:

The Statutory Auditors have issued an Independent Auditors' Report on the standalone financial statements of the Company for the financial year ended 31st March 2026. The report does not contain any qualification, reservation, adverse remark, or disclaimer of opinion.

The Independent Auditors' Report includes a Key Audit Matter relating to the loss of inventory and property, plant and equipment due to a fire incident at the Company's plant and the recognition of the related insurance claim receivable. The matter has been appropriately dealt with by the management and adequately disclosed in Note 29 to the financial statements. The observations made by the Statutory Auditors, read together with the relevant notes to the financial statements, are self-explanatory and, therefore, do not call for any further comments pursuant to Section 134(3)(f) of the Companies Act, 2013.

The Statutory Auditors have also confirmed that no fraud by the Company or on the Company by its officers or employees has been reported under Section 143(12) of the Companies Act, 2013 during the year under review.

SECRETARIAL AUDITOR

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with the rules made thereunder and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is required to undertake Secretarial Audit.

The Secretarial Audit Report issued by M/s. Neha Doshi & Co., Practicing Company Secretaries, for the financial year ended 31st March 2026 is annexed to this Board's Report as Annexure III. The Report does not contain any qualification, reservation, adverse remark or disclaimer.

SECRETARIAL AUDITOR'S REPORT

The observations of the Secretarial Audit report are self-explanatory and therefore do not call for any further comments under Section 134 of the Companies Act, 2013.

CORPORATE GOVERNANCE:

Pursuant to regulation 34(4) of SEBI Listing Obligations and Disclosure Requirements (LODR) regulation 2015, report on Corporate Governance along with Auditor's certificate on its compliance is attached as **Annexure IV** to this report.

ANNUAL RETURN:

Pursuant to the provisions of sub section 3 of Section 92 of the Companies Act, 2013, a copy of Annual Return for the financial year 2025-26 is available on the website of the Company at www.kaypowerandpaper.com/reports.asp

INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

COST AUDITORS

As per the companies (Cost Records and Audit) Amendment Rules 2014, the company is exempted from cost audit from the financial year 2015-16. Hence the company has not appointed a cost auditor for the financial year 2025-26.

DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY

ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, the relevant information pertaining to Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo are enclosed as **Annexure V** to the Board's report.

PARTICULARS OF EMPLOYEES

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as Annexure VI to the Board's report.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and pursuant to regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors and is available on company's website on link – www.kaypowerandpaper.com

LISTING OF EQUITY SHARES:

The Equity Shares of your Company are listed on BSE Ltd., where the same are traded regularly and confirm that company has paid the listing fees for the financial year 2025-26.

VIGIL MECHANISM

The Company has formulated a Whistle Blower Policy (the Policy) in compliance with the Companies Act 2013 and Listing agreement, to enable employees, customers, agents, dealers, suppliers and other vendors that conduct business with Kay Power and Paper Limited to raise concerns and complaints about fraudulent practices.

Under the Policy, the concerns/ complaints pertaining to General Managers and Mangers should be raised before the Chairman of Audit Committee and concerns against other Employees should be addressed to the Vigilance officer and confirm that no personnel have been denied access to the audit committee.

The Company has designated the Manager, Mr. Prasanna Kulkarni, as the Vigilance officer and has created the following email accounts for facilitating the raising of such concerns.

Chairman of Audit Committee- chairmanauditcommittee@gmail.com

Vigilance officer – prasannaskulkarni19@gmail.com

The Company aims to propagate a culture for maintaining the highest standard of conduct and professionalism and therefore this Policy is implemented in furtherance of the Code of Conduct of the Company.

The details of establishment of such mechanism have also been disclosed on company website on following link - http://www.kaypowerandpaper.com/download/Annoncement-KPPL.pdf

COMMITTEES OF THE BOARD

Currently, the Board has four committees: the audit committee, nomination and remuneration committee, stakeholder's relationship committee, and risk Management committee. The role and responsibilities and composition of the aforesaid committees are mentioned in

the corporate governance report section in this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A comprehensive Management discussion and analysis Report is appended as Annexure VII, forming a part of the Corporate Governance is part of this Annual Report

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

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. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy. No complaints pertaining to sexual harassment were received during F.Y. 2025-26.

DETAILS OF APPLICATION MADE OR PROCEDDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, there were no applications made or proceedings pending in the name of the company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOANS FROM BANKS AND FINANCIAL INSTITUTIONS

During the year under review, there has been no one-time settlement of loans taken from Banks and Financial Institutions.

ACKNOWLEDGEMENT:

Your directors appreciate the valuable contribution of employees at all levels. Your directors place on records their gratitude for the co-operation received from Maharashtra State Electricity Distribution Company Ltd., IDBI Bank Ltd., HDFC Bank Ltd, Suppliers, Customers and Shareholders of the Company and look forward to their continuous support in coming years.

For and on behalf of the Board of Directors

Deepa Agarwal
Chairman And Managing Director
DIN: 00452947

Place: Satara
Date: 12th August 2026

Annexure - I

FORM NO. AOC -2

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

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2026, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions on an Arm's length basis and ordinary course of business.

Sr. No.	Particulars	Details
a	Name (s) of the related party & nature of relationship	M/s. Satara Engineering Projects and Equipments Limited, a related party under Section 2(76) (iv).
b	Nature of contracts/arran gements/transaction	For purchase of balancing machinery of plant for capacity expansion
c	Duration of the contracts/arrangements/ transaction	Till the completion of supply of balancing machinery of plant for capacity expansion by related party.
d	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 30,00,00,000/- (Thirty Crores Only) plus taxes extra
e	Date of approval by the Board	12-08-2025
f	Amount paid as advances, if any	-

Note: - 1) The Company has executed transactions amounting to ₹11.54 Crores in financial year 2024-25 and ₹ 3.89 Crores in financial year 2025-26 with M/s. Satara Engineering Projects and Equipments Private Limited. The remaining value of the contract will be executed in subsequent financial years.

2) The board of directors put the necessary resolution in the notice of 34th annual general meeting of the company to Continue/Extent the period and modify the term and conditions of above said material related party transaction.

Details of contracts or arrangements or transactions pertaining to Subsidiary of the Company named M/s Satara Aerospace and Defence Industrial Park Private Limited on an Arm's length basis and ordinary course of business.

Sr. No.	Particulars	1	2
a	Name (s) of the related party & nature of relationship	M/s Chandra Trading & Investment Private Limited	Mrs. Deepa Agarwal

b	Nature of contracts/arrangements/transaction	To purchase of 5.93-hectare land for the purpose of development an industrial park with all infrastructure facilities in terms of development of land, civil structure, roads, water, transportation, power, warehousing, logistics, built-to-suit factory buildings, construction services, operation and maintenance etc. for the manufacturing/business units for setting up units to produce components for defence, aerospace, and atomic energy and other business units to carry out industrial or commercial activities in accordance with the scheme	To purchase of 8.40-hectare land for the purpose of development an industrial park with all infrastructure facilities in terms of development of land, civil structure, roads, water, transportation, power, warehousing, logistics, built-to-suit factory buildings, construction services, operation and maintenance etc. for the manufacturing/business units for setting up units to produce components for defence, aerospace, and atomic energy and other business units to carry out industrial or commercial activities in accordance with the scheme produce components for defence, aerospace, and atomic energy and other business units to carry out industrial or commercial activities in accordance with the scheme
c	Duration of the contracts/arrangements/transaction	Till the completion of transaction	Till the completion of transaction
d	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 37,06,00,000/- (Thirty-Seven Crores Six Lacs Only)	Rs. 52,50,00,000/- (Fifty Two Crores Fifty Lacs Only)
e.	Date of approval by the Board	12-08-2025	12-08-2025
f.	Amount paid as advances, if any	Based on the nature of transaction, advance for part or full amount of the transaction/ arrangement could be paid in the ordinary course of business.	Based on the nature of transaction, advance for part or full amount of the transaction/ arrangement could be paid in the ordinary course of business.

The company has taken prior approval of the audit committee and board of directors meeting held on 12th August 2025 for said material related party transaction. The company has taken approval from its members in the 34th Annual General Meeting held on 22-09-2025.

There were no material related party transactions entered into by the subsidiary company during the year, although the members had approved above such transactions at the 34th Annual General Meeting held on 22nd September 2025. Although these transactions were approved, they were not executed during the financial year 2025–26.

For and on behalf of the Board of Directors

Date: - 12th August 2026
Place: - Satara

Deepa Agarwal
Chairman and Managing Director
DIN: 00452947

Annexure- II

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Subsidiary Company.

Sr.. No.		1
1.	Name of the Subsidiary	M/s. Satara Aerospace and Defence Industrial Park Private Limited
2.	The Date since when subsidiary was acquired	05/06/2024
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31/03/2026
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
5.	Share Capital	10,00,000
6.	Reserve and surplus	-
7.	Total Assets	24,71,30,000
8.	Total Liabilities	24,61,30,000
9.	Investments	-
10.	Turnover	-
11.	Profit before taxation	-
12.	Provision for taxation	-
13.	Profit after taxation	-
14.	Proposed Dividend	-
15.	Extent of shareholding (in percentage)	100%

Part "B": Associates and Joint Ventures

The Company does not have any Joint venture /Associate companies.

FOR KAY POWER AND PAPER LIMITED

Deepa Agarwal

Managing Director

DIN: 00452947

Date: - 12th August 2026

ANNEXURE III

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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

To,

The Members
KAY POWER AND PAPER LIMITED
Gat No. 454/457, At Post Borgaon,
Satara-415519

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Kay Power and Paper Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 ("the audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

i. The Companies Act, 2013 ('the Act') and the Rules made thereunder including any re-enactment thereof;

ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA"), Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company during the audit period);

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

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

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the audit period)

e. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021 (Not Applicable to the Company during the audit period)

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the audit period)

h. The SEBI (Buyback of Securities) Regulations, 2018; and (Not Applicable to the Company during the audit period)

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended from time to time.

vi. Other laws are applicable specifically to the Company is Indian Boiler Act 1923.

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

(i) The Equity Listing Agreements with Bombay Stock Exchange (BSE LTD).

(ii) Secretarial Standards issued by The Institute of Company Secretaries of India and as notified by the Central Government, and

(iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above, Subject to the following observations:

i. The Company has not published to public notices of Board Meeting and un-audited/ audited quarterly request in English daily newspaper as required to be published under Regulation 47 of (Listing Obligations and Disclosure Requirements) Regulations, (LODR) 2015. As informed by the Company, due to carry forward losses and inadequate profit during the year, company could not spent money on publication of financial result in English newspaper. The aforesaid results are made available on the company website and also on the website of the Bombay stock exchange Ltd for downloading.

I further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as per Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through while the

dissenting member's views, if any, are captured and record as part of the minutes.

I further report that as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in place in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For, Neha Doshi & Co.
Company Secretaries

Neha A. Doshi
C.P. No.: 4631
FCS No.: 5373
UDIN: F005373H000980622

Place : Satara
Date : 30th July 2026

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,

Kay Power and Paper Limited

CIN: L21099MH1991PLC061709

Gat No 454/457 at Post Borgaon,

Satara, Maharashtra- 415519

Requested that my report of even date is to be read along with the letter:

1. Maintenance of secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and financial statements and disclosures made therein.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happenings of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, guidelines or standards is the responsibility of the Management. my examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For, Neha Doshi & Co.
Company Secretaries

Neha A. Doshi
C.P. No.: 4631
FCS No.: 5373
UDIN: F005373H000980622

Place : Satara
Date : 30th July 2026

ANNEXURE IV: REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Corporate Governance:-

The Company firmly believes that good Corporate Governance is essential for building trust and long-term value for all its stakeholders. In line with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the Company has adopted robust governance practices which reflect its commitment to integrity, transparency, accountability, and ethical conduct.

The philosophy of Corporate Governance at the Company is not merely compliance-driven but goes beyond to ensure that corporate objectives are achieved in a manner that is consistent with stakeholder expectations and societal norms. The Company's governance framework is structured to promote efficient conduct of business while upholding the core principles laid down under the SEBI regulations and the Companies Act, 2013.

The Company recognizes that the Board of Directors plays a pivotal role in overseeing the Company's management, providing strategic direction, and ensuring responsible decision-making. The Board is fully accountable to shareholders and other stakeholders and functions as a trustee in safeguarding their interests.

The Company has established appropriate systems and controls to ensure compliance with applicable laws and to facilitate a culture of ethical and responsible corporate citizenship. The Board and senior management remain committed to continuously reviewing and strengthening the Company's governance framework in line with evolving best practices.

Key principles guiding the Company's Corporate Governance framework include:

- **Transparency:** Ensuring accurate and timely disclosures of relevant information to stakeholders.
- **Accountability:** Establishing clear roles and responsibilities, with appropriate checks and balances.
- **Integrity and Ethics:** Upholding high standards of ethical behavior and fair conduct across all business dealings.
- **Responsibility and Sustainability:** Taking into account the environmental, social, and governance (ESG) aspects of business operations.
- **Stakeholder Inclusiveness:** Recognizing and responding to the legitimate needs and expectations of all stakeholders.

In summary, the Company views Corporate Governance not merely as a set of obligations under law but as a dynamic framework for achieving excellence, enhancing stakeholder value, and fostering long-term sustainability.

2. Composition of Board

The Board of Directors has a mix of Executive and Non -Executive Directors. The Board comprises of one Promoter-Executive Chairman and Managing Director, one Non- Executive Director and three Non- executive independent directors on the Board of the company.

Table 1 - The composition of the Board and other directorships and committee positions held on 31st March 2026.

Sr. No	Name of the Director	Category	No. Of other Directorships[3]	Committee positions[4]		No. of Shares Held in the Company as at 31.03.2026
				As Chairman	As Member	
1	Mr. Niraj Chandra	Promoter -Executive	1	Nil	1	19,58,600
2	Ms. Deepa Agarwal	Promoter - Non – Executive Non-Independent	Nil	1	1	22,86,800
3	Mr. Arvind V. Kulkarni	Non -Executive Independent	1	Nil	2	200
4	Mr. Anilkumar Bidkar	Non -Executive Independent	Nil	2	1	Nil
5	Mr. Satish Pharande	Non -Executive Independent	Nil	Nil	1	Nil

1. The Directorships, held by Directors as mentioned above, do not include Alternate Directorships and Directorships in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and private limited companies.
2. In accordance with Regulation 26(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, only memberships and chairmanships of the Audit Committee and the Stakeholders' Relationship Committee of all public limited companies, whether listed or not, have been considered for the purpose of disclosure.
3. In terms of the provisions of the Companies Act 2013, Mrs. Deepa Agarwal is related to Mr. Niraj Chandra, being his spouse. Except for this relationship, no other Director on the Board is related to any other Director.
4. The memberships and chairmanships held by the Directors in various committees are within the limits prescribed under Regulation 26(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. None of the directors of the company holds a position as a director in any listed company.
6. None of the Non-Executive Directors of the Company hold any convertible instruments issued by the Company as on date.
7. In compliance with Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided appropriate training and familiarization programmes to its Independent Directors. These programmes are designed to familiarize them with the Company, their roles, rights, and responsibilities, the nature of the industry in which the Company operates, and the business model of the Company.
8. The details of the familiarization programme imparted to Independent Directors are available on the Company's website at the following link:
http://www.kaypowerandpaper.com/download/Details%20of%20Familiarisation%20programme%20imparted%20to%20Independent%20Directors.pdf

Table 2 - Attendance of Directors at Board Meetings and last AGM.

During the year Seven Board Meetings were held on 30.05.2025, 12.08.2025, 06.10.2025, 11.10.2025, 12.11.2025, 16.10.2025, and 14.02.2026

Name of the Director	No. of Board Meetings attended	Attendance at last AGM
Mr. Niraj Chandra	7	Present
Ms. Deepa Agarwal	7	Present
Mr. Arvind. V. Kulkarni	7	Present
Mr. Anilkumar Bidkar	7	Present
Mr. Satish Pharande	7	Present

The last Annual General Meeting was held on 22nd September 2025.

BOARD SKILLS, EXPERTISE OR COMPETENCE:

a) Following skills/expertise/competencies identified by the Board in the context of Company's business/sector and those actually available with the Board:

Strategy and Strategic Planning.	Policy Development	Governance
Infrastructure Planning and Development	Technical Know-how and innovation	Quality Management
Industry Experience – Manufacturing, design, and operations	Corporate Communications	Community and stakeholder engagement
Financial performance	Risk and Compliance oversight	Geographic, Gender and cultural diversity
Quality Management	Legal	

b) Names of directors who have such skills / expertise / competence:

Sr. No.	Name of Director	Designation	Core skills, expertise and competencies
1.	Mr. Niraj Chandra	Chairman & Managing Director	1. Strategy and Strategic Planning. 2. Policy Development 3. Governance 4. Infrastructure Planning and Development 5. Technical Know-how and innovation 6. Quality Management 7. Industry Experience – Manufacturing, design, 8. and operations 9. Corporate Communications 10. Community and stakeholder engagement 11. Financial performance 12. Risk and Compliance oversight 13. Geographic, Gender and cultural diversity 14. Quality Management Legal
2.	Mrs. Deepa Agarwal	Non-Executive Non- Independent Director	1. Strategy and Strategic Planning 2. Corporate Communications 3. Community and stakeholder engagement 4. Financial performance. 5. Geographic, Gender and cultural diversity 6. Governance
3.	Mr. A. V. Kulkarni	Independent Director	1. Industry Experience – Manufacturing, design, and operations 2. Corporate Communications 3. Community and stakeholder engagement 4. Financial performance 5. Governance 6. Infrastructure Planning and Development
4.	Mr. Anilkumar Bidkar	Independent Director	1. Corporate Communications 2. Community and stakeholder engagement 3. Financial performance 4. Governance
5.	Mr. Satish Pharande	Independent Director	1. Corporate Communications 2. Community and stakeholder engagement 3. Financial performance 4. Governance

It is confirmed that in the opinion of the board, the independent directors fulfill the conditions specified in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

No Independent Director has resigned from the Board of the Company before the expiry of his/her term during the financial year.

3. Audit Committee

The Audit Committee of the Company is constituted in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee comprises three Independent

Directors, with the Company Secretary acting as the Secretary to the Committee.

Terms of Reference

The Role/Charter of the Audit Committee in line with the regulatory requirements includes:

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointments, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Review and examine with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
    b. changes, if you are any, in accounting policies and practices and reasons for the same.
    c. major accounting entries involving estimates based on the exercise of judgment by management.
    d. significant adjustments made to the financial statements arising out of audit findings.
    e. compliance with listing and other legal requirements relating to financial statements.
    f. disclosure of any related party transactions.
    g. modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights or preferential issue or qualified institutions placement and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of the undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department,

reporting structure coverage and frequency of internal audit.

14. Discussion with internal auditors of significant findings and follow up there on
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as a post-audit discussion to ascertain any area of concern.
17. To check whether there are any qualifications made in the draft Auditors' Report.
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors.
19. To review the functioning of the whistle blower mechanism.
20. Approval of the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
21. Reviewing the utilization of loans and/or advances from/ investment by the holding Company in the subsidiary exceeding 100 crore or 10% of the asset size of the subsidiary, whichever is lower;
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its Shareholders; and
23. Any other item as may be assigned by the Board of Directors, from time to time

The Audit Committee meetings were held on May 30, 2025, August 12, 2025, November 12, 2025, and February 14, 2026. The Attendance of the Members at the Meetings was as follow:-

Name of the members	Status	No. of Meeting were held during the Year	Eligible to attend	No. of Meetings Attended*
Mr. Anilkumar Bidkar	Chairman	4	4	4
Mr. Arvind V. Kulkarni	Member	4	4	4
Mr. Satish Pharande	Member	4	4	4

4. Nomination and Remuneration Committee

In accordance with the amended regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, Company has constituted the Nomination and Remuneration Committee in its board meeting dated 14.11.2014 and reconstituted subsequently on 12th August 2024. The committee comprises one executive and two non-executive independent directors on the committee.

Terms of Reference

- 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 their appointment and removal and carry out evaluation of every director’s performance.
- Formulating criteria for determining qualifications, positive attributes and independence

of a director and recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.

- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate 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. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

  a. use the services of an external agencies, if required.

  b. considers candidates from a wide range of backgrounds, having due regard to diversity; and

  c. consider the time commitments of the candidates.

  - Formulating criteria for evaluation of performance of Independent Directors and the Board.
  - Devising a policy on diversity of Board of Directors.
  - Recommending whether to extend or continue the term of appointment of Independent director on the basis of the report of performance evaluation of Independent Directors.
  - Recommending to the Board, all remuneration, in whatever form, payable to Senior Management.
  - 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;

Remuneration policy-

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and pursuant to regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors and is available on company's website on link – www.kaypowerandpaper.com

Mechanism for evaluating Board members:

One of the key functions of the Board is to monitor and review the board evaluation framework. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive / non-executive / independent directors through a peer-evaluation excluding the director being evaluated through a Board effectiveness survey. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision-making of the directors, relationship to stakeholders, company performance, company strategy, and the effectiveness of the whole Board and its various committees on a scale of one to five. Feedback from each director is encouraged to be provided as part of the survey.

Independent directors have three key roles – governance, control and guidance. Some of the performance indicators based on which the Independent Directors are evaluated include:

- Ability to contribute to and monitor our corporate governance practices
- Ability to contribute by introducing international best practices to address top-management issues.
- Active participation in long-term strategic planning
- Commitment to the fulfillment of a director's obligations and fiduciary responsibilities; these include participation in Board and committee meetings.

The NRC Committee meeting held on February 14, 2026 The Attendance of the Members at the Meetings was as follow: -

Name of the members	Status	No. of Meeting were held during the Year	Eligi-ble to attend	No. of Meetings Attended
Mr. Anilkumar Bidkar	Chairman	1	1	1
Mrs. Deepa Agarwal	Member	1	1	1
Mr. Satish Pharande	Member	1	1	1

In accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company constituted the Nomination and Remuneration Committee and defined its terms of reference in line with the applicable provisions of the Companies Act and SEBI Regulations.

The Board has delegated the responsibility to the Committee to formulate the criteria for identification, selection of the candidates fit for the various positions in senior management and who are qualified to be appointed as Director on the Board of Directors of the Company.

The Committee has adopted the following criteria for selection of candidates eligible to be appointed in the Senior Management of the Company and also Member on the Board of Directors of the Company.

Criteria for Selection of Directors

In accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee shall consider the following criteria before making any recommendation to the Board for the appointment of any Director, Key Managerial Personnel (KMP), or senior management personnel:

1. Integrity, Qualification, and Expertise.

The Committee shall identify individuals with proven integrity, appropriate qualifications, expertise, and relevant experience suitable for the position of Director, KMP, or senior management. Based on this assessment, the Committee shall recommend their appointment to the Board.

2. Adequate Experience and Professional Competence.

The candidate should possess adequate academic and professional qualifications, as well as relevant industry experience and competence, for the role being considered. The Committee shall have the discretion to determine whether the qualifications and experience of the individual are sufficient and satisfactory for the concerned position.

3. Disqualifications under the Companies Act, 2013.

The candidate must not be disqualified from being appointed as a director under Sections 164 and 167

of the Companies Act, 2013.

4. Independence Criteria (where applicable).

In case of the appointment of an Independent Director, the candidate must meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015.

5. Age Limit for Executive Positions.

The Company shall not appoint or continue the employment of any person as Managing Director, Whole-time Director, or Manager who has attained the age of seventy (70) years. However, the term of such a person may be extended beyond the age of seventy years with the approval of the shareholders by passing a special resolution. The explanatory statement annexed to the notice for such resolution shall provide the justification for the extension of appointment beyond the prescribed age limit.

Criteria for Selection of Senior Management Personnel

The Nomination and Remuneration Committee shall evaluate and recommend candidates for appointment at the Senior Management level in accordance with the following criteria:

1. Integrity, Qualification, and Expertise.

The Committee shall identify and ascertain the integrity, professional qualifications, domain expertise, and relevant experience of the individual being considered for appointment at the Senior Management level and shall recommend such appointment to the Board.

2. Adequacy of Qualification and Experience.

The candidate should possess adequate educational and professional qualifications, relevant industry knowledge, and managerial experience for the role. The Committee shall exercise its discretion to assess whether the qualifications, expertise, and experience possessed by the individual are sufficient and satisfactory for the position being considered.

5. Stakeholder's relationship committee

The stakeholder's relationship committee comprises Mrs. Deepa Agarwal, heading the committee, and Mr. Niraj Chandra, Mr. A.V. Kulkarni, are members of the committee and Mr. Sagar Mohite, Secretary of the committee.

M/s. MUFG Intime India Private Limited (Formerly known as M/s. Link Intime India Private Limited) is acting as Registrar and Transfer Agent of the Company.

The Administrative and Shareholders/Investors Grievance Committee reviews, acts on and reports to our Board with respect to various matters relating to stakeholders. The roles and responsibilities include:

a) Redressal of grievances of the shareholders of the Company pertaining to transfer or transmission of shares, non-receipt of annual report and declared dividends, issue of new or duplicate share certificates, and grievances pertaining to corporate actions.

b) Reviewing the grievance redressal mechanism implemented by the Company in coordination with Company's Registrar and Transfer Agent ("RTA") from time to time.

c) Reviewing the measures taken by the Company for effective exercise of voting rights by shareholders;

d) Reviewing the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants, annual reports and statutory notices by the shareholders of the Company.

e) Resolving grievances of debenture holders related to creation of charge, payment of interest/ principal, maintenance of security cover and any other covenants

f) Considering and approving allotment of equity shares pursuant to exercise of stock options, setting up branch offices and other administrative matters as delegated by the Board from time

g) The committee shall review and ensure redressal of investor grievances, and the committee noted that all the grievances of the investors have been resolved during the year.

The one stakeholder's relationship committee meeting was held on 14.02.2026. All the above-mentioned committee members were present at said meeting.

During the financial year 2025-26, the stakeholder's relationship committee has not received complaints from shareholders of the company.

6. Risk Management Committee

As per the applicable provisions of the Companies Act 2013, Company has constituted the Risk Management Committee in its board meeting dated 14.11.2014 and Mr. Niraj Chandra, Mrs. Deepa Agarwal, Mr. Arvind V. Kulkarni directors of the company and Mrs. Snehal Hemant Mohite Chief Financial Officer are members of the committee.

The purpose of the committee is to assist the Board in fulfilling its corporate governance with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks efficiently and effectively.

The Company has developed and implemented a risk management framework that includes identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

7. Senior management:

Mr. Niraj Chandra, Chairman and Managing Director, Mrs. Deepa Agarwal, Executive Director, Mr. Sagar Mohite, Company Secretary & Compliance Officer, and Ms. Snehal Mohite, Chief Financial Officer are covered in the senior management of the Company as on 31st March 2026. During FY 2025-26, there were no changes in the senior management of the Company.

8. Details of the Remuneration of director for the year ended 31st March 2026.

There were no pecuniary relationships or transactions with its non-executive directors other than the payment of sitting fees to them for attending the meetings of the Board and the committees thereof and payment of remuneration for professional services.

Name of the Director	Sitting fees	Salary/ Remunera-tion	Commission	Total
Mr. Niraj Chandra	-	#	-	-
Ms. Deepa Agarwal	-	-	-	-
Mr. A. V. Kulkarni	3,00,000*	-	-	3,00,000
Mr. Satish Pharande	12000			12000

Due to the heavy losses suffered by the Company, Mr. Niraj Chandra, in consultation with the Board had offered his services as Chairman and Managing Director without payment of any salary since 1.7.2002.

*Sitting fees + reimbursement expenses + payment for professional services.

9. General Body Meetings

A) Location and time where the last 3(Three) Annual General Meetings (AGM) were held are given below;

AGM for the Financial Year	Date	Time	Venue	Special Resolution Passed
2022-23	25.09.2023	3.00 p.m	Gat No.454/457, A/P. Borgaon, T/D. Satara – 415 519.	1. To ratify the material related party transaction
2023-24	23.09.2024	3.00 p.m	Gat No.454/457, A/P. Borgaon, T/D. Satara – 415 519.	NIL
2024-25	22.09.2025	3.00 p m	Gat No.454/457, A/P. Borgaon, T/D. Satara – 415 519.	1.Approval under section 180 (1)(a) of the Companies Act, 2013 to transfer of the Company's immovable property/ies (land) to wholly owned subsidiary of the Company.

B) POSTAL BALLOT: -

During the year under review, the Company did not pass any resolution under postal ballot pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014.

C) None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

DISCLOSURE:

a) The details of the Director seeking re-appointment at the 35th Annual General Meeting of the Company, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, are provided in **Annexure I** forming part of the Notice convening the 35th Annual General Meeting to be held on Monday, 21st September, 2026.

b) In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim of improving the effectiveness of the Board and the Committees.

c. The transactions with related parties during the year were carried out in the ordinary course of business and on arm's length basis. All such transactions were placed before the Audit Committee for its review and approval, in accordance with the Company's policy on Related Party Transactions. These transactions were conducted on terms that were not prejudicial to the interests of the Company.

In cases where the transactions qualified as material related party transactions, the same were approved by the shareholders, as required under Regulation 23 of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 and in accordance with the Company's Related Party Transaction Policy.

The Policy on Related Party Transactions is available on the Company's website at the following link:

http://www.kaypowerandpaper.com/download/Related%20party%20transaction%20policy%202026.pdf

d. There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to the capital market during the last three years.

e. The Company has established a Vigil Mechanism / Whistle Blower Policy in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The mechanism provides a framework for directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud, or violations of the Company's Code of Conduct.

It is hereby confirmed that no personnel have been denied access to the Audit Committee under the Vigil Mechanism.

The details of the Vigil Mechanism / Whistle Blower Policy are available on the Company's website at the following link: http://www.kaypowerandpaper.com/download/Annoncement-KPPL.pdf

f. Pursuant to Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has framed a policy to familiarize the Independent Directors about the Company. The Policy is available on the website of the Company and can be accessed at http://www.kaypowerandpaper.com/download/Details%20of%20Familiarisation%20programme%20imparted%20to%20Independent%20Directors.pdf

g. In compliance with Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided appropriate training and familiarization programmes to its Independent Directors. These programmes are designed to familiarize them with the Company, their roles, rights, and responsibilities, the nature of the industry in which the Company operates, and the business model of the Company.

a) The details of the familiarization programme imparted to Independent Directors are available on the Company's website at the following link: http://www.kaypowerandpaper.com/download/Details%20of%20Familiarisation%20programme%20imparted%20to%20Independent%20Directors.pdf

h. The company has disclosed the term and conditions of appointment of Independent Directors on company website on following link - http://www.kaypowerandpaper.com/download/TermConditionsforAppointmentIndependentDirectors.pdf

i. The Company has framed and put in place the Code of Conduct, duly approved by the Board of Directors. The said Code is applicable to all directors and senior management of the company and annual affirmations are obtained. All the directors and senior management have affirmed their adherence to the provisions of the said code. The code of conduct is posted on company website – www.kaypowerandpapper.com

j. The company are trying to implement maximum discretionary requirements as specified in part E of schedule II in the listing regulation.

k. Management Discussion and Analysis forms part of the annual report to the shareholders and it includes discussion on matters as required by Regulation 34(3) of the Listing Regulations.

l. There were no material financial & commercial transactions by senior Management as defined in regulation 26 of the Listing regulations where they have any personal interest that have a potential conflict with the interest of the company at large requiring disclosure by them to the Board of Directors of the company.

m. The company has disclosed all the compliance of regulations in respect of Corporate Governance which is mandatory to disclose on the website of the company under the Listing Regulations on its website viz www.kaypowerandpaper.com.

n. During the financial year 2025–26, the Company allotted equity shares pursuant to the exercise of conversion rights attached to warrants issued on a preferential basis. The details are as follows:

Date	Particulars	Details	Amount received / Issue Price	Amount Raised
06-10-2025	Conversion of Warrants	*allotment of 97,50,000 equity shares upon conversion of warrants on a preferential basis	75% of the remaining balance	22,01,06,250
11-10-2025	Conversion of Warrants	*allotment of 31,00,000 equity shares upon conversion of warrants on a preferential basis	75% of the remaining balance	6,99,82,500

Notes:

*Listing approval for 97,50,000 equity shares was received on November 11, 2025, and trading approval on December 09, 2025.

**Listing approval for 31,00,000 equity shares was received on November 14, 2025, and trading approval on December 11, 2025.

Forfeiture of Warrants

Out of the total 2,59,00,000 convertible warrants allotted on a preferential basis, 1,44,50,000 convertible In accordance with Regulation 169(3) of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), warrant holders were required to exercise the option to convert the warrants into equity shares within 18 months from the date of allotment, i.e., on or before October 15, 2025.

Since the following warrant holders did not exercise the conversion option, either fully or partly, within the prescribed period, the warrants remaining unexercised lapsed and the amount already paid at the time of allotment, being 25% of the warrant issue price, became liable to be forfeited:

S. No.	Name of Warrant holder	Warrants applied for	Conversion of Warrants into Equity Shares (No.) by allotment	No. of Warrants on which Conversion option is not exercised and liable for forfeited
1.	Chandra Trading and Investment Private Limited	71,00,000	57,50,000	13,50,000
2.	Shyam Mohan Gupta	4,00,000	1,50,000	2,50,000

Note: The warrants were issued at the rate of ₹ 30.10 per warrant. The warrant holders paid 25% amount at the time of allotment of warrants. On non-exercise of option by warrant holders about conversion of warrants into equity shares within time limit of 18 months from the date of allotment of the warrants, it is liable for forfeiture.

Utilization of Funds Raised through preferential allotment

As mentioned above, the Company raised funds through the issue of convertible warrants on a preferential basis for the purpose of Working capital requirements, Repayment of unsecured/secured loans, Acquisition of land for developing a private integrated industrial park under the Aerospace and Defense Manufacturing Policy 2018, with the assistance of Maharashtra Industrial Development Corporation, for establishing manufacturing units for producing components for defense, aerospace, and atomic energy with the approval of the respective government authorities, Purchase of balancing machinery and expansion of the paper plant, General corporate purposes

The funds raised have been utilized for the purposes for which they were raised, and there has been no deviation or variation in the utilization of the funds.

o. The company has obtained the necessary certificate from a company secretary in practice under regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per the said certificate, 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 Board/Ministry of Corporate Affairs or any such statutory authority.

p. The company has formed the committee for address the complaints of sexual harassment of woman employee of the company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaints pertaining to sexual harassment were received during F.Y. 2025-26.

q. During the financial year 2025–26, the Board of Directors has accepted all the recommendations received from the various committees of the Board. There were no instances where the Board did not accept any recommendation of its committees.

r. The total fee for all services paid/payable by the Company to M/s. R Y Kulkarni & Associates, Chartered Accountants, Statutory Auditors and all the entities in the network firm / network entity, of which Statutory Auditors are a part, for the Financial Year 2025-26 is ₹ 1,00,000/- including the subsidiary company..

s. Disclosure on compliance with Corporate Governance Requirements specified in SEBI Listing Regulations: -

a) The Company has complied with the requirements of Part C of sub-paras (2) to (10) of Schedule V of the SEBI Listing Regulations.

b) The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

t. During the financial year, the Company has not granted any loans or advances to firms or companies in which any Director is interested, as defined under Section 2(49) read with Section 185 and Section 188 of the Companies Act, 2013.

However, the wholly owned subsidiary company has given an advance of ₹ 9.21 Crores for the purchase of land to a company in which Directors are interested. This transaction has been undertaken in compliance with applicable provisions of the Companies Act, 2013 and relevant rules framed thereunder. Necessary disclosures have been made in the notes to accounts of the standalone and consolidated financial statements.

u. The company have not having any material subsidiary companies as on 31/03/2026. Hence no details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries is given in this report.

v. As per criteria given in Regulation 16 of the SEBI Listing Regulations, basis financial statements for the year ended March 31, 2026, the Company has one wholly owned subsidiary company i.e. Satara Aerospace and Defence Industrial Park Private Limited incorporated on 5th June 2024

The minutes of the meetings of the Board of Directors of the subsidiary company, together with details of significant transactions and arrangements entered into by the subsidiary company, are placed before the Board of Directors of the Company on a quarterly basis for its review.

The financial statements of the subsidiary company are also placed before the Audit Committee for review. The particulars of loans and advances in the nature of loans, if any, to the subsidiary company, as required under Regulation 34 of the SEBI Listing Regulations, are disclosed in the Notes to the Standalone Financial Statements forming part of this Annual Report.

w. During the year, the company have not entered into any Agreements viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof

10. CEO/CFO CERTIFICATION.

As required by the Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate from CEO and CFO was placed before the Board of Directors at the meeting held on 28th May 2026.

11. MEANS OF COMMUNICATION:

Recommendation	Compliance
Quarterly Results: Whether published Any website, where displayed	Yes The results are displayed on the website of the Company and on the website of Bombay Stock Exchange Ltd and the company website i.e. www.kaypowerandpaper.com. and published in Marathi News paper
Whether it also displays official news releases and presentations made to institutional investors/analysts	NA
Whether shareholders information section forms part of the Annual Report.	Yes

GENERAL SHAREHOLDERS' INFORMATION

Financial reporting for the quarter ending 30.6.2026		Before 14th August 2026	
Financial reporting for the quarter ending 30.9.2026		Before 14th November 2026	
Financial reporting for the quarter ending 31.12.2026		Before 14th February 2027	
Financial reporting for the quarter ending and year ending 31.03.2027		Before 30th May 2027	
Annual General Meeting Venue		21st September 2026 at 3.00 p.m. Regd. Office: Gat No. 454/457, A/P. Borgaon, T/D Satara - 415 519.	
Listing of Equity Shares on Stock Exchange		Bombay Stock Exchange Ltd.	
Confirmation of payment of annual listing fees of BSE Limited		It is confirmed that the company has paid the annual listing fees for the financial year 2025-26.	
Plant Location		Gat No. 454/457, A/P. Borgaon, T/D Satara - 415 519	
Registrar and share transfer agent		M/s MUFG Intime India Private Limited (Formerly known as M/s. Link Intime India Private Limited.) C 101,247, Park 1st Floor L.B.S. Marg, Vikhroli (W), Mumbai - 40008. Tel No: 022-49186000, 022- 49186060 E-mail: rnt.helpdesk@linkintime.co.in	
Book closure date		From 15th September 2026 to 21st September, 2026	
ISIN for the Company's Equity Shares in Demat Form Depository Connectivity		INE961B01013 N.S.D.L. and C.D.S.L.	
ISIN for the Company's warrants in Demat Form Depository Connectivity		INE961B13018 N.S.D.L. and C.D.S.L.	
Suspension from trading		No security of the company has been suspended from trading on BSE.	
Complaints received during the year		Received	Cleared
A.	Complaints received from Shareholders	-	-
B.	Complaints received from Stock Exchange / SEBI	-	-

Share transfer system:

Trading in Equity Shares of the Company is permitted only in dematerialized form.

Process for requests related to physical shares

With effect from 24th January 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issuance of duplicate share certificates, exchange/sub- division/ split/consolidation of securities, transmission/ transposition of securities and claim from Suspense Escrow Demat Account. Vide its Circular dated 25th January 2022,

SEBI has clarified that listed entities/ RTAs shall issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service requests.

Simplified Norms for processing Investor Service Requests SEBI, vide its Circular dated 3rd November 2021, as amended from time to time, had made it mandatory for holders of physical securities to furnish PAN, KYC and Nomination/Opt-out of Nomination details to avail any investor service. Members who are yet to update their KYC details are therefore urged to furnish PAN, KYC and Nomination/Opt-out of

Nomination by submitting the prescribed forms duly filled, by email from their registered email id to rnt.helpdesk@linkintime.co.in or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders M/s. MUFG Intime India Private Limited (Formerly known as M/s. Link Intime India Private Limited.) C 101,247, Park 1st Floor L.B.S. Marg, Vikhroli (W), Mumbai - 40008. Tel No: 022-49186000, 022- 49186060.

In accordance with the SEBI circular dated 3rd September 2022, and amended circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/75 dated 17th May 2024 the Company has sent out intimations to those Members, holding shares in physical form, whose folios are incomplete with PAN, KYC and/ or Nomination details requesting them to update the details so as to avoid freezing of the folios

Distribution of shareholding as on 31st March 2026.

No. of shares	No of Shareholders	% of Shareholders	Total face value Rs.	% of total Value
Up to 500	6476	83.84	7863950	2.2507
501-1000	483	6.25	4159140	1.1904
1001-2000	274	3.55	4177990	1.1958
2001-3000	113	1.46	2920070	0.8357
3001-4000	53	0.67	1884090	0.5392
4001-5000	55	0.71	2594750	0.7426
5001-10000	115	1.49	8432580	2.4134
10001 and above	155	2.00	317367430	90.8321
Total	**7039**	**100**	**349400000**	**100**

Categories of shareholders as on 31st March 2026.

Category	No. of shares held	Voting Strength (%)
Promoters, Relatives and Associate Companies	17819746	51.00
Public	14507986	41.52
NRI/FII's/OCB's	147433	0.42
Domestic Companies	2464835	7.05
Total	**34940000**	**100.00**

Investor service cell	Mr. Sagar Mohite Company Secretary & Compliance Officer Liaison Office: - B- 54, Old MIDC Area, Satara - 415004. Mobile: 9689908431, Fax: (02162) 246133

For and on behalf of the Board of Directors

Deepa Agarwal
Chairman and
Managing Director
DIN: 00452947

Place : Satara
Date : 12th August 2026

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2026, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For, Kay Power and Paper Limited

Place : Satara
Date : 12th August 2026

Deepa Agarwal
Chairman &
Managing Director
DIN: 00452947

TO THE MEMBERS OF KAY POWER AND PAPER LIMITED

1. We have examined the compliance of conditions of Corporate Governance by KAY POWER AND PAPER LIMITED ("the Company"), for the year ended on March 31, 2026, as stipulated in:

   a. Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and

   b. Regulations 17 to 27 (excluding regulation 23 (4)) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations.

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

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the as stipulated in the above SEBI Listing Regulation, 2015. As informed, there is no unresolved investor/ shareholders compliant.

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

For Neha Doshi & Co.
Company Secretaries

Place : Satara
Date : 13th August 2026

Neha Doshi
Proprietor
FCS No. : 5373
CP No. : 4631
UDIN: F005373H001104493

ANNEXURE V

Particulars required to be disclosed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, and forming part of the Directors' report for the year ended 31st March 2026.

A) Conservation of Energy: - the company has adopted all necessary steps to conserve energy like the following:

1. Electric motors are the main source where we can save power adequately. Before installation of electric motor, the power load equipment's and HP are calculated exactly, and then particular motor is installed.
2. Company has replaced the low efficiency pumps with high efficiency pumps.
3. Cooling/heating is regulated. It is being operated on need basis.
4. Insulation is being done for piping where it is necessary
5. Practice adapted to switch off the equipment's which are not in use.
6. By reducing of excessive heating and cooling.
7. Installation of efficient shower head.
8. Measuring and monitoring of electric consumption.
9. Regulating of voltages.
10. Precautions have been taken while starting up and stopping down the high-pressure pumps and electric motors so as to avoid shooting up of contract demand.
11. The series of capacitors have been installed to maintain to power factor, thyrister based for controlling harmonics.
12. Installation of VFD (Variable Frequency drive) in place of Conventional starter for optimum utilization of electric power.
13. Company has adopted the energy saving equipment's for minimum consumption of electricity / Automation has been partly done.
14. Conversion of Halogen lamps/Tubes total load 4400 watt into LED of 1092.5 watt is in process.
15. Removal of H.T. busbar drop load of 12500 KW by replacing with new transformer plus line load of 6300 KWH is in process.
16. Switching off internal streetlights at the time of non-working hours of the company.
17. The company is continuously maintaining all machines on standard level and replacing old machinery with new one and adopting the latest technology for producing the paper. Therefore, company is getting reduction in electricity consumption.

18. Company has periodically briefed the staff and operators about conservation of electricity and its benefits.

19. Company is in process of installing Solar Street Lamps in the factory and office premises.

20. The connected load of 2852 KW has been practically utilized up to 60 to 70 % due to lockdown orders during previous one and half year.

21. The lift scheme to electric power water pumps 40 HP and 25 HP installed at Urmodi River lift scheme point and sump well point respective has been paused and walve is being lifted from company due wells / company premises with 10 HP power , thereby saving of 40 HP/ 25 HP billing unit consumptions.

22. Due precautions have been practiced minimizing power consumption

B) Technology Absorption: The Company has affected the necessary measures to manufacture Kraft paper varieties at higher yields at better quality.

C) Foreign Exchange Earnings and Outgo:

	2025-26	2024-25
Earnings	**–**	–
Outgo	(USD) 23026.71	(USD) 53359.3

For and on behalf of the Board of Directors

Place: - Satara
Date: - 12th August 2026

Deepa Agarwal
Chairman and Managing Director
DIN:00452947

ANNEXURE VI – PARTICULARS OF EMPLOYEES

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

Remuneration paid to whole time directors –

Due to the heavy losses suffered by the Company, Mr. Niraj Chandra in consultation withthe Board had offered his services as Chairman and Managing Director with out payment of any salary since1.7.2002.

Remuneration paid to independent directors:

During the year, company has not paid any remuneration to its Independent directors except sitting fees& reimbursement expenses for attainment of board and committee meeting of the company

Remuneration of other Key Managerial Personnel (KMP): -

Name of the KMP	Title	Remuneration in fiscal 2026	% of Increase in Remuneration in fiscal 2026
Mr. Sagar Mohite	Company Secretary	8,98,500	2.57%
Mrs. Snehal Mohite	Chief Financial Officer	3,03,133	8.40%

Note:-

1. The Median Remuneration of Employees (MRE) was “84,000” and “1,71,150” in fiscal 2025 and 2026, respectively. The decrease in MRE over fiscal 2025 is - 50.92%.
2. The number of permanent employees on the rolls of the Company as of March 31, 2026, and March 31, 2025, was 45 and 49 respectively.

   Noneof the employees of the Companyisin receipt of remuneration in excess of limits prescribed under Rule 5(2)(i) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

   Pursuant the Rule 5 (xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 we hereby affirm that, the company has paid remuneration to the executive, non-executive and key managerial Personnel of the company during the financial year 2025-26 as per the Nomination and Remuneration policy of the company.

For and on behalf of the Board of Directors

Deepa Agarwal
Chairman and Managing Director
DIN:00452947

Place: - Satara
Date: - 12th August 2026

List of top ten employees in terms of remuneration drawn in the Year 2025-26 as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

Sr. No.	Name of the Employee	Designation of Employee	Salary in fiscal 2025-26	Nature of Employment Permanent/ Contractual	Qualification and Experience	Date of commencement	Age of the employee	Percentage of Equity Shares held in the company	Whether any such employee is a relative of any Director or manager of the company
1	Mr. Sagar S. Mohite	Company Secretary	8,98,500	Permanent	B.COM, CS, LLB /15 years	28.05.2014	43 years	Nil	No
2	Mr. Sharma Ashok	Production Manager	4,59,000	Permanent	D.M.E./ 32 Years	01.03.2022	56 years	Nil	No
3	Mr. Dayasindhu S. Shukla	Lab Incharge	5,49,000	Permanent	B.Sc / 35 years	09.07.2008	58 years	Nil	No
4	Mr. Rajesh Sing	Maintenance op.	2,80,000	Permanent	H.S.C./ 20 Years	18.08.2006	52 Years	Nil	No
5	Mr. Godase Vishal	Boiler atten-dant- first class	2,26,662	Permanent	HSC, boiler first class/5 Years	19.12.2020	32 years	Nil	No
6	Mr. L. V. Kawade	Purchase Officer	3,57,000	Permanent	B.A / 19 years	08.10.2008	46 years	Nil	No
7	Mr. Ajay Prasad	Machine Operator	2,28,666	Permanent	H.S.C. 15 Years	01.06.2022	38 Years	Nil	No
8	Mr. Sachin Swami	Sales Executive	3,48,000	Permanent	B.sc/ 10 Years	01.06.2022	34 Years	Nil	No
9	Mrs. S H Mohite	Chief Financial Officer	3,03,133	Permanent	Bcom/ 12 Years	11.08.2015	34Years	Nil	No
10	Mr. Prasanna Kulkarni	Admin Manager	3,24,000	Permanent	B.Com/ 30 Years	19.05.2023	57 Years	Nil	No

ANNEXURE VII

MANAGEMENT AND DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian paper and packaging industry continued to register steady growth during the financial year 2026–27, supported by increasing domestic consumption, expanding manufacturing activities, growth in e-commerce and logistics, and rising demand for sustainable packaging solutions. Among the various segments of the paper industry, Kraft paper manufactured from recycled fibre continued to remain one of the key growth drivers owing to its extensive use in corrugated boxes, industrial packaging, FMCG products, food processing, pharmaceuticals, consumer goods, textiles and export-oriented industries.

The demand for Kraft paper remained robust during the year, driven by the rapid expansion of e-commerce, organised retail, warehousing and integrated supply chain networks. Increasing preference for recyclable and biodegradable packaging materials, coupled with growing environmental awareness among consumers and businesses, has accelerated the adoption of recycled Kraft paper as a sustainable alternative to plastic-based packaging.

The Government of India continues to encourage sustainable manufacturing practices through various initiatives relating to recycling, waste management, circular economy and Extended Producer Responsibility (EPR). These measures are expected to strengthen the long-term demand for recycled paper products while promoting efficient utilisation of natural resources.

The Indian paper industry comprises paperboard and industrial packaging paper, writing and printing paper, newsprint, tissue paper and specialty paper. Paperboard and industrial packaging paper continue to account for the largest share of the industry, supported by sustained demand from manufacturing, agriculture, food processing, pharmaceuticals, consumer goods and logistics sectors.

During the year under review, the industry also experienced certain challenges, including volatility in recovered paper prices, fluctuations in energy and freight costs, increasing environmental compliance requirements and competitive pricing pressures. Nevertheless, improvements in manufacturing technology, operational efficiency and supply chain management have enabled manufacturers to effectively manage these challenges and improve productivity.

Kay Power and Paper Limited continues to manufacture quality Kraft paper using indigenous and imported waste paper as its principal raw material. The Company remains committed to maintaining consistent product quality, improving operational efficiency, optimising resource utilisation and strengthening customer relationships. During the year, the management continued to focus on prudent raw material procurement, cost optimisation and process improvements to enhance operational performance and profitability.

Looking ahead, the outlook for the Indian Kraft paper industry remains positive. Continued growth in e-commerce, organised retail, manufacturing, infrastructure development and logistics, together with increasing regulatory emphasis on sustainable packaging and recycling, is expected to drive long-term demand for recycled Kraft paper. The Company believes that its continued focus on quality, operational excellence, customer satisfaction and responsible manufacturing practices will enable it to capitalise on future growth opportunities and create long-term value for all stakeholders.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

The Indian Kraft paper and packaging paper industry continues to offer significant growth opportunities, supported by favourable economic conditions, increasing industrial production and the growing preference for sustainable packaging solutions. Rising environmental awareness and the gradual shift from plastic packaging to recyclable and

paper-based alternatives continue to drive demand for Kraft paper across a wide range of industries.

The rapid expansion of e-commerce, quick-commerce, organised retail, food delivery platforms and third-party logistics has significantly increased the demand for corrugated boxes and protective packaging materials. Owing to its strength, durability, recyclability and cost-effectiveness, Kraft paper continues to remain the preferred packaging material for these applications.

The continued growth of the FMCG, pharmaceuticals, food processing, agriculture, electronics, textiles and consumer durables sectors is expected to generate sustained demand for packaging paper. In addition, increasing investments in warehousing, logistics infrastructure, industrial corridors and manufacturing facilities are expected to further strengthen the long-term growth prospects of the packaging industry.

Government initiatives promoting sustainable manufacturing, circular economy practices and Extended Producer Responsibility (EPR), together with regulatory measures aimed at reducing plastic waste, continue to encourage the adoption of recyclable and environmentally responsible packaging materials. These initiatives are expected to create long-term growth opportunities for manufacturers engaged in the production of recycled Kraft paper.

Growing consumer preference for eco-friendly and biodegradable packaging has also increased the use of Kraft paper in premium retail packaging, shopping bags, food packaging, gift wrapping and customised packaging solutions. Further, increasing exports from India and continued emphasis on domestic manufacturing under the "Make in India" initiative are expected to support sustained demand for high-quality packaging paper.

Continuous technological advancements in paper manufacturing, automation, energy-efficient production processes and quality control systems are enabling manufacturers to improve productivity, optimise resource utilisation, reduce production costs and enhance product quality. These developments are expected to strengthen the competitiveness of the industry and provide companies with opportunities to improve operational efficiency, expand their customer base and achieve sustainable long-term growth.

THREATS AND CHALLENGES

While the long-term outlook for the Kraft paper industry remains positive, the industry continues to face several operational, financial and regulatory challenges.

1. **Raw Material Availability and Price Volatility**

   The availability and pricing of recovered paper, waste paper and other raw materials remain volatile due to fluctuations in domestic supply, international market conditions and import dependency. Rising procurement costs directly impact manufacturing costs and operating margins.

2. **Energy and Fuel Costs**

   Paper manufacturing is an energy-intensive process. Increases in electricity tariffs, coal prices, fuel costs and transportation expenses continue to influence production costs and overall profitability. Improving energy efficiency remains a key priority for the industry.

3. **Environmental and Regulatory Compliance**

   Manufacturers must comply with increasingly stringent environmental regulations relating to emissions, water consumption, waste management and pollution control. Compliance with evolving statutory requirements may require additional capital investment and operating expenditure.

4. **Intense Market Competition**

   The Indian Kraft paper industry remains highly competitive, with the presence of numerous organised and unorganised manufacturers. Competitive pricing, capacity additions and imported paper products continue to exert pressure on profit margins and market share.

5. **Technological Upgradation**

   Rapid advancements in manufacturing technology require continuous investment

in plant modernisation, automation and process improvements. Failure to adopt modern technologies may adversely affect operational efficiency, product quality and competitiveness.

6. **Supply Chain and Logistics Risks**

   Disruptions in transportation, fluctuations in freight costs, shortages of containers and delays in raw material procurement may affect production schedules and timely deliveries to customers.

7. **Quality and Customer Expectations**

   Customers increasingly demand consistent product quality, higher strength specifications and customised packaging solutions. Manufacturers must continuously strengthen quality assurance systems, product development and customer service to maintain market competitiveness.

8. **Occupational Safety and Business Continuity**

   Industrial operations are exposed to risks such as fire, machinery breakdown, accidents and natural calamities. During the previous period, the Company experienced a fire incident, reinforcing the need to strengthen safety systems, preventive maintenance, insurance coverage and disaster recovery plans. The Company continues to implement appropriate risk mitigation measures to safeguard its assets and ensure business continuity.

   Despite these challenges, the management believes that the long-term fundamentals of the Indian packaging paper industry remain strong. Increasing domestic consumption, rising environmental awareness, favourable Government policies, expanding manufacturing activities and sustained growth in the e-commerce and logistics sectors are expected to support continued demand for Kraft paper. The Company remains committed to improving operational efficiency, maintaining product quality, strengthening customer relationships and adopting sustainable manufacturing practices to create long-term value for its stakeholders.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company operates in a single business segment, namely the manufacture and sale of Kraft paper. Accordingly, there are no separate reportable business or geographical segments requiring disclosure during the financial year 2026–27 in accordance with the applicable Indian Accounting Standards.

The Company caters to a diversified customer base through its established dealer and customer network, primarily across Western and Southern India. During the year under review, the Company continued to strengthen its market presence by maintaining long-standing customer relationships, expanding its dealer network and enhancing customer service.

The Company manufactures a wide range of recycled Kraft paper with grammage ranging from 80 GSM to 180 GSM, catering to the packaging requirements of industries such as corrugated box manufacturing, FMCG, food processing, pharmaceuticals, textiles, engineering, agriculture, consumer goods and e-commerce. Its ability to manufacture different grades of Kraft paper enables it to meet diverse customer specifications and evolving market requirements.

Despite fluctuations in raw material prices, energy costs and competitive market conditions, the Company remained focused on maintaining consistent product quality, improving operational efficiency and ensuring timely deliveries. Continued emphasis on quality assurance, efficient production processes and customer satisfaction enabled the Company to maintain its competitive position during the year.

The Company also continued to adopt prudent inventory management and effective production planning to optimise capacity utilisation and operational performance. Its focus on quality control, cost optimisation and customer-centric business practices has further strengthened its reputation in the domestic Kraft paper market.

The management remains confident that increasing demand for sustainable and recyclable packaging materials, supported

by the continued growth of the packaging, logistics and e-commerce sectors, will create significant opportunities for the Company's products. The Company will continue to focus on operational excellence, strengthening its distribution network and delivering value-added products to meet evolving customer requirements.

REVIEW OF PERFORMANCE

During the financial year 2026–27, the Company recorded Revenue from Operations of ₹2,438.04 lakhs and Other Income of ₹54.68 lakhs, resulting in a Total Income of ₹2,492.72 lakhs. The Company earned a Profit After Tax of ₹101.02 lakhs, reflecting a satisfactory financial performance despite challenging market conditions characterized by fluctuations in raw material prices, rising energy costs and intense competition within the paper industry.

During the year under review, the Company continued to focus on improving operational efficiency, prudent cost management and effective utilization of available resources. Continuous emphasis on quality assurance, customer satisfaction and timely execution of orders enabled the Company to maintain its presence in the domestic Kraft paper market.

The demand for Kraft paper remained stable during the year, primarily driven by sustained growth in the packaging, corrugated box, FMCG, pharmaceuticals, food processing and logistics sectors. The Company continued to cater to the requirements of its customers through its established dealer network and maintained healthy business relationships with its customers.

During the financial year, the Company did not undertake any major capital expenditure, expansion or modernization activities and there were no export sales. The management remained focused on optimizing existing manufacturing facilities and improving operational efficiencies through better resource utilization and effective cost control measures.

During the year under review, the Company was affected by a fire incident on 12th March, 2026, which caused disruption to certain operations. The management promptly initiated necessary corrective measures, activated its business continuity plans and undertook restoration activities to minimize the operational impact. The Company has also strengthened its safety systems, preventive maintenance practices and risk management framework with a view to preventing similar incidents in future.

The management remains optimistic about the future prospects of the Company in view of the favourable outlook for the Indian packaging industry, increasing demand for sustainable paper-based packaging materials and the Company's continued focus on product quality, operational excellence and customer satisfaction. The Company will continue to pursue operational improvements, cost optimization and market expansion initiatives to enhance shareholder value and achieve sustainable long-term growth.

STRATEGIES

To sustain long-term growth, strengthen its market position and respond effectively to the evolving business environment, the Company continues to focus on the following strategic initiatives:

- **Quality Enhancement:** The Company remains committed to manufacturing high-quality Kraft paper that consistently meets customer specifications and industry standards. Continuous improvement in quality management systems, stringent process controls and customer feedback mechanisms enable the Company to enhance product reliability, strengthen customer confidence and maintain long-term business relationships.
- **Operational Efficiency and Cost Optimization:**The Company continues to emphasize efficient utilization of resources, optimization of manufacturing processes and effective cost management. Continuous monitoring of production parameters, reduction of process losses and improvement in productivity remain key focus areas to enhance operational performance and profitability.
- **Sustainable Manufacturing Practices:**

  The Company is committed to promoting environmentally responsible manufacturing by maximizing the use of

recycled waste paper, improving resource efficiency and adopting sustainable production practices. The management continues to focus on reducing energy consumption, minimizing waste generation and ensuring compliance with applicable environmental regulations.

Customer-Centric Approach:

Customer satisfaction continues to remain a cornerstone of the Company's business strategy. By ensuring consistent product quality, timely deliveries and prompt customer service, the Company aims to strengthen existing customer relationships while expanding its presence in both existing and new markets.

- **Market Expansion:**

  The Company continues to strengthen its dealer network and enhance its market presence across key domestic markets. The management is focused on identifying new customers, exploring emerging application segments and increasing market penetration in the growing packaging industry.

- **Risk Management and Business Continuity:**

  Following the fire incident experienced during the previous period, the Company has strengthened its safety standards, preventive maintenance programmes, fire protection systems and business continuity measures. The management remains committed to enhancing operational resilience through continuous risk assessment and implementation of appropriate mitigation strategies.

- **Technology and Process Improvement:**

  Although no major capital expansion or modernization was undertaken during the year, the Company continues to improve manufacturing efficiency through process optimisation, preventive maintenance, quality control and adoption of best operating practices to enhance productivity and reduce operating costs.

  Looking ahead, the Company will continue to focus on operational excellence, prudent financial management, sustainable manufacturing practices, customer satisfaction and strengthening its competitive position. The management remains confident that the continued growth of the Indian packaging industry, increasing demand for recyclable paper products and favourable market fundamentals will provide opportunities for sustainable growth and long-term value creation for all stakeholders.

OUTLOOK, RISK AND CONCERN MANAGEMENT PERCEIVES

The Indian paper and packaging industry continues to exhibit positive long-term growth prospects, supported by increasing demand for sustainable and recyclable packaging solutions, expanding manufacturing activities, rapid growth in e-commerce and logistics, and rising consumption across the FMCG, food processing, pharmaceutical, agriculture and consumer goods sectors. The growing emphasis on environmental sustainability, circular economy practices and regulatory initiatives promoting paper-based packaging are expected to continue driving demand for recycled Kraft paper in the coming years.

The Company believes that the long-term fundamentals of the Indian Kraft paper industry remain strong. Increasing industrialization, infrastructure development, organized retail, warehousing and changing consumer preferences towards eco-friendly packaging are expected to provide sustained growth opportunities for the packaging paper sector. The Company will continue to focus on operational excellence, quality improvement, cost optimization and customer satisfaction to strengthen its competitive position and capitalize on emerging market opportunities.

Notwithstanding the favourable outlook, the Company recognizes that its business is exposed to various risks and uncertainties that require continuous monitoring and effective mitigation measures.

- **Raw Material Availability and Cost:**

  The availability and pricing of recovered paper, waste paper and other raw materials remain subject to domestic and international market conditions. Fluctuations in raw material prices and supply disruptions may adversely affect production costs and operating margins. The Company

continues to strengthen its procurement strategy and maintain diversified sourcing arrangements to mitigate such risks.

- **Energy, Fuel and Logistics Costs:**

  Paper manufacturing is an energy-intensive process. Variations in electricity tariffs, fuel prices, transportation costs and logistics expenses continue to influence manufacturing costs. The Company continuously monitors these costs and focuses on improving operational efficiency and resource utilization to minimize their impact.

- **Competitive Market Environment:**

  The domestic Kraft paper industry continues to witness intense competition from both organized and unorganized manufacturers, resulting in pricing pressure and margin challenges. The Company remains focused on product quality, customer service, operational efficiency and cost competitiveness to sustain its market position.

- **Environmental and Regulatory Compliance:**

  The paper industry is subject to stringent environmental, safety and pollution control regulations. The Company remains committed to complying with all applicable statutory and environmental requirements and continuously upgrades its operational practices to meet evolving regulatory standards.

- **Operational and Business Continuity Risks:**

  Manufacturing operations are exposed to risks arising from fire, machinery breakdown, industrial accidents and natural calamities. Following the fire incident that occurred during the previous period, the Company has further strengthened its fire prevention systems, preventive maintenance programmes, safety protocols, insurance coverage and business continuity planning to enhance operational resilience and safeguard its assets.

- **Economic and Market Risks:**

  Macroeconomic conditions, inflationary pressures, fluctuations in interest rates, changing customer demand and global economic uncertainties may influence the Company's business performance. The management continues to monitor market developments closely and adopts appropriate business strategies to respond effectively to changing economic conditions.

  The Company has established appropriate internal systems for identifying, assessing and mitigating business risks. The management regularly reviews operational, financial and strategic risks and implements suitable control measures to ensure sustainable business growth. With its continued emphasis on quality manufacturing, prudent financial management, efficient operations and customer-centric approach, the Company remains confident of achieving sustainable growth and creating long-term value for its shareholders and other stakeholders.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has established an adequate system of internal financial controls and internal control procedures commensurate with the size, nature and complexity of its business operations. These controls are designed to ensure the orderly and efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, compliance with applicable laws and regulations, and timely preparation of reliable financial information.

The Company's internal control framework provides reasonable assurance regarding the effectiveness of operational processes, financial reporting, statutory compliance and risk management. Appropriate policies and standard operating procedures have been implemented to ensure that all transactions are properly authorized, recorded, accounted for and reported in accordance with established accounting principles, applicable Indian Accounting Standards (Ind AS) and statutory requirements.

The management continuously reviews and strengthens the internal control environment through periodic monitoring, supervisory controls and management reviews. The

Company has also implemented suitable controls over procurement, production, inventory management, sales, finance and other key operational functions to enhance efficiency, accountability and transparency.

The Audit Committee of the Board periodically reviews the adequacy and effectiveness of the Company's internal financial control systems, internal audit observations and compliance framework. The recommendations of the Audit Committee and management are implemented in a timely manner to further strengthen the Company's governance practices and operational controls.

During the year under review, the Company continued to enhance its internal control processes and risk management systems with particular emphasis on operational safety, asset protection and business continuity. Following the fire incident experienced during the previous period, the Company reviewed and reinforced its safety procedures, preventive maintenance programmes, fire protection measures and insurance coverage to strengthen operational resilience and minimize business risks.

The management believes that the existing internal control systems are adequate and effective and provide reasonable assurance that the Company's assets are safeguarded, business risks are appropriately managed, statutory compliances are adhered to and financial information is reliable, thereby supporting the achievement of the Company's business objectives and long-term sustainable growth.

HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

The Company firmly believes that its human resources are its most valuable asset and a key driver of sustainable growth. The Company continues to maintain fair, transparent and equitable human resource policies that promote equal employment opportunities, employee welfare, professional development and a performance-oriented work culture. The management remains committed to fostering an inclusive workplace where employees are encouraged to contribute through innovation, teamwork, accountability and continuous improvement.

The Company's human resource practices focus on attracting, developing and retaining competent talent by providing continuous learning opportunities, performance-based recognition and career development initiatives. Regular training programmes are organized to enhance the technical, operational, safety and managerial skills of employees, enabling them to adapt to changing business requirements and technological advancements in the paper industry.

The Company continues to emphasize workplace safety, occupational health and employee well-being by maintaining appropriate safety standards, conducting awareness programmes and ensuring compliance with applicable statutory and labour regulations. Following the fire incident experienced during the previous period, additional emphasis has been placed on strengthening safety awareness, emergency preparedness, fire prevention measures and safe operating practices across the manufacturing facility.

The management maintains open communication and constructive dialogue with employees at all levels, fostering a positive work environment based on mutual trust, transparency and respect. Cordial industrial relations prevailed throughout the year under review, and there were no significant industrial disputes affecting the Company's operations.

As on 31st March, 2026, the Company had 45 employees on its rolls.

The Company remains committed to nurturing its human capital through continuous skill development, employee engagement and a safe and healthy working environment. The management believes that a motivated, skilled and dedicated workforce will continue to play a pivotal role in achieving the Company's strategic objectives and creating sustainable value for all stakeholders.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

Financial performance with respect to operational performance is explained in detail in the beginning of the Directors' Report. The management is making continuous efforts

to improve its financial and operational performance.

There were significant changes in the following ratios (i.e. change of 25% or more as compared to the previous financial year) during the financial year 20225-26 compared to immediately previous financial year.

Particulars	Unit of Measurement	March 31, 2026	March 31, 2025	Variation in %	Reasons for change
Current Ratio	In multiples	3.01	0.78	281.89%	The current ratio is improved in the year under consideration due to substantial decrease in Trade Payables
Debt Equity Ratio	In multiples	0.002	0.017	-87.04%	Debt Equity ratio is improved in the year under consideration due to increase in equity on account of internal accruals and addition to paid up share capital and decrease in outside debts
Return of Equity Ratio	In %	1.56%	4.21%	-63.09%	Return on equity ratio is decreased due to increase in equity on account of internal accruals and addition to paid up share capital.
Inventory Turnover Ratio	In days	31.05	20.34	26.06%	Inventory Turnover Ratio is increased as the sale during the year is decreased substantially
Trade receivables Turnover Ratio	In days	76.09	36.60	107.90%	Trade Receivable turnover ration is increased during the year as the sale is substantially decreased during the year while amount of trade receivable is also increased
Trade Payables Turnover Ratio	In days	180.73	96.13	88.01%	Trade payable ratio is increased during the year as the amount of purchases were lower while amount of trade payable is increased

Particulars	Unit of Measurement	March 31, 2026	March 31, 2025	Variation in %	Reasons for change
Net Profit Ratio	In %	4.14%	2.78%	48.89%	Net Profit Ratio is increased during the year as the amount as the company earned higher gross margin on sale and earned good profit on lower amount of sale
Return on Capital Employed	In %	1.55%	2.74%	-43.53%	The return on equity ratio decreased due to increase in equity due to plough back of profit and addition to paid up equity share capital
Return on Investment	In %	1.39%	2.31%	-39.75%	Return of investment ration is decreased during the years because the amount of total assets is increased during the year

CAUTIONARY STATEMENT

The statements contained in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations, outlook or predictions may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions, expectations and perceptions of future events, prevailing economic conditions, industry trends, Government policies, regulatory environment and other factors that the Company believes to be reasonable as on the date of this Report.

Forward-looking statements are inherently subject to various risks, uncertainties and other factors, both internal and external, including but not limited to changes in economic conditions, fluctuations in raw material and energy prices, changes in Government policies and regulations, market demand, competitive pressures, technological developments, environmental regulations, supply chain disruptions, inflationary trends, geopolitical developments and other unforeseen circumstances that could cause actual results, performance or achievements of the Company to differ materially from those expressed or implied in such statements.

The Company undertakes no obligation to publicly revise, amend or update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required under applicable laws, regulations or statutory obligations.

Readers are, therefore, advised to exercise due caution while placing reliance on such forward-looking statements and are encouraged to consider the risks and uncertainties associated with the Company's business and operations while evaluating the information contained in this Report.

For and on behalf of the Board

Deepa Agarwal
Chairman and Managing Director
DIN: 00452947

Place: - Satara
Date: - 12th August 2026

INDEPENDENT AUDITOR'S REPORT

TO MEMBERS OF KAY POWER AND PAPER LIMITED

REPORT ON AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

We have audited the standalone financial statements of Kay Power and Paper Limited ("the Company"), which comprise the balance sheet as at 31st March 2026, and the statement of Profit and Loss, Statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material 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 standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

During the year, a fire occurred at the Company's plant resulting in loss of inventory of Rs. 63.32 lakhs and also loss of some of the equipment. The Company has lodged an insurance claim with the insurer, which has acknowledged the claim, and management has recognised an insurance claim receivable of Rs. 86.27 lakhs including claim for loss of inventory of Rs. 63.32 Lakhs and loss of plant and machinery of Rs. 22.95 Lakhs in the financial statements, on the basis that recovery is considered virtually certain in terms of Ind AS 37

We identified this as a key audit matter because:

(a) the determination of the quantum of loss involves management judgment in assessing the extent of physical damage and the carrying value of assets destroyed; and

(b) the assessment of "virtual certainty" of recovery of the insurance claim, and the amount recoverable, involves significant management judgment and is inherently subjective, given the claim remains unsettled by the insurer as at the balance sheet date.

Our audit procedures included, among others:

- Obtaining an understanding of the fire incident and management's process for assessing the loss and claim recoverability;
- Verifying the physical damage report and management's computation of loss of inventory and fixed assets.
- Reviewing the insurance policy to verify coverage of assets and perils involved;

Assessing the adequacy of disclosures made by the Company in Note 29 to the financial statements in accordance with Ind AS 37 and Ind AS 1.

Based on the above procedures, we consider management's judgment in recognising the loss and

the insurance claim receivable to be reasonable.

OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report to the members and Annexures thereto, Report on Corporate Governance, Management Discussion and Analysis, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on Standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial statements or our knowledge obtained in the audit or otherwise appear 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 STANDALONE 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 standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 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, statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have 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, Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act except Ind AS 19 regarding 'Employee Benefits' on account of non-provision for liability towards post-employment defined benefit plans like gratuity payable to employees as described in the Note 2(k) of Notes to accounts.

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B;

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

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

i. The Company did not have any pending litigation as on March 31, 2026 having material impact on its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as on March 31, 2026.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended on March 31, 2026.

iv. a. The management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

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

c. Based on such audit procedures 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 (iv)(a) and (iv)(b) above contain any material misstatement.

v. There are no events of dividend declared and paid by the Company during the year until the date of this report, hence compliance with provisions of section 123 of the Companies Act, 2013 is not required.

vi. Based on the information and explanations given to us and based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which does not have a working feature of recording audit trail (edit log) facility. We report that during the course of our audit we found that the audit trail has not been preserved by the company.

For Ankush Shinde & Company
Chartered Accountants

Place : Satara
Date : 28th May 2026

Ankush Shinde
Proprietor
Mem. No.187866FRN
FRN:148983W
UDIN:- 26187866UMLVUX4373

Annexure A to the Auditor's Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our Report of even date to the Members of Kay Power And Paper Limited for the year ended on 31st March, 2026

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

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

b) As per our information and explanations given to us, property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds/ registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder as such this clause is not applicable to the company for the year.

ii) a) In our opinion and according to the information and explanation given to us, the management has conducted the physical verification of inventory at reasonable intervals. In our opinion coverage and procedure of such verification by the management is appropriate. In respect of inventory lostdue to fire at Borgaon during the year, as more fully explained in Note 29 to the financial statements, the discrepancy between physical stock and book stock, aggregating Rs.63.32 lakhs, has been properly dealt with in the books of account.

b) During any point of time of the year, the company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from any banks or financial institutions on the basis of security of current assets

iii) a) According to the information and explanations provided to us, the Company has made investments in, provided guarantee or security or granted loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year as per detailsgiven below:

Particulars	**Loans Advanced (Rs. In Lakhs)**
Aggregate amount granted/ provided during the year:	
Satara Aerospace and Defence Industrial Park Private Limited (Wholly Owned Subsidiary)	1540.25
Chandra Trading & Investment Pvt Ltd	207.70
Kay Bouvet Heavy Engineering Ltd.	74.25

Particulars	Loans Advanced (Rs. In Lakhs)
Satara engineering products & equipment pvt ltd	64.20
-Others	-
Balance outstanding as at balance sheet date in respect of above cases :	
Satara Aerospace and Defence Industrial Park Private Limited (Wholly Owned Subsidiary)	2461.30
Chandra Trading & Investment Pvt Ltd	207.70
Kay Bouvet Heavy Engineering Ltd.	74.25
Satara engineering products & equipment pvt ltd	64.20
-Others	-

b) The investments made, the securities granted and the terms and conditions of the grant of loans are, in our opinion, prima facie, not prejudicial to the company's interest.

c) As per the information and explanation provided to us, in case of loan advanced to wholly owned subsidiary and other related companies, said loans are repayable on demand and there is no stipulation of schedule of repayment of principal and payment of interest thereon.

d) As per the information and explanation provided to us, there was no overdue loan amount remaining outstanding as at the year-end.

e) According to the information and explanations given to us, no amount of loan or advances has been renewed or extended or fresh loan granted to settle the overdue of existing loan given to the same parties.

f) The Company has granted loan to its subsidiary and related parties as stated in clause 3(c) above which is repayable on demand and the terms or period of repayment has not been specified. The aggregate amount of such Loans amounted to Rs.2807.45 Lakhs as on 31st March 2026 and forms 100% of all Loans granted by the Company.

iv) In respect of loans, investments, guarantees, and security, provisions of sections 185 and 186 of the Companies Act have been complied with by the company. Company has not given any loans in violation of section 185 and 186 of the Companies Act 2013.

v) In our opinion and according to information and explanations given to us, the Company does not have any deposits accepted from the public within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder.

vi) The Company is maintaining cost records as prescribed under Section 148 (1) of the Companies Act, 2013. However, we have not verified the same for completeness or accuracy**.**

vii) a) According to records of the Company, it is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess. No amount is outstanding as at 31/3/2026 for a period more than 6 months from the date they become payable.

b) There are no of statutory dues referred to in sub-clause (a), which have not been deposited on account of dispute..

viii) No any transactions recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), and there was no previously unrecorded income has been recorded in the books of account during the year.

ix) a) As per Information and explanation sought by us, and given by the company and books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender or bank during the year..

b) According to the information and explanation given to us, the company has not been declared as wilful defaulter by any bank, financial Institution and other lenders.

c) During the year company has not applied for any term loans as such this clause of utilization of term loan for the same purpose does not apply to the company.

d) According to the information and explanation given to us, the company has not utilised funds raised on short term basis for long term purposes,

e) According to the information and explanation given to us, the company has not raised any fund to meet the obligation of its subsidiaries, associates or joint ventures.

f) According to the information and explanation given to us, the company has not raised loan during the year on the pledge of securities held in its subsidiaries, joint venture or associate company.

x) a) According to information and explanations given to us the company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.

b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

xi) a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by any person has been reported.

b) As there is no fraud in terms of section 143(12) of the Act, so reporting in Form ADT-4 by an auditor was not required during the year

c) Based upon the audit procedure performed and the information and explanations given by the management of the company we have not come across any whistle-blower complaints during the year.

xii) The company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the company. .

xiii) Based upon the audit procedure performed and the information and explanations given by the management of the company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act wherever applicable.

xiv) Even though the company has not appointed external 'internal auditor', the company has an in-house internal audit system, which in our opinion, commensurate with the size and nature of its business. No material deficiency was observed during internal audit.

xv) According to information and explanations given to us, in our opinion, during the year under audit, the company has not entered into any non-cash transactions with directors or persons connected with him as such, the provisions of section 192 of Companies Act have been complied with.

xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) as the nature of the business is not of banking and finance and therefore provisions of clause 3(xvi) of the order are not applicable to the company.

xvii) The company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii) During the year, the previous statutory auditor of the company resigned and we were appointed as the statutory auditors in their place. We have considered the issues, objections, or concerns raised by the outgoing auditor, if any, while forming our opinion on the financial statements of 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 realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is not liable to spend amount as specified under section-135 of the act, in pursuance of its corporate social responsibility policy.

For Ankush Shinde & Company
Chartered Accountants

Place : Satara
Date : 28th May 2026

Ankush Shinde
Proprietor
Mem. No.187866
FRN:148983W
UDIN:- 26187866UMLVUX4373

Annexure - B to the 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")

We have audited the internal financial controls over financial reporting of Kay Power and Paper Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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.

Meaning of Internal Financial Controls over Financial Reporting

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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of

collusion or improper management override of controls, material misstatements due to error or fraud may occur and not 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.

Opinion

In our opinion, 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 31 March, 2026 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.

For Ankush Shinde & Company
Chartered Accountants

Place : Satara
Date : 28th May 2026

Ankush Shinde
Proprietor
Mem. No.187866
FRN:148983W
UDIN:- 26187866UMLVUX4373

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2026

Particulars	Note No.	As at 31st March 2026 (Amount in Lacs)	As at 31st March 2025 (Amount in Lacs)
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	**4475.93**	4159.53
(b) Capital work-in-progress	3	**0.00**	0.00
(c)Other Intangible assets	2	**0.01**	0.01
(d) Financial Assets			
(i) Non - Current Investments	4(a)	**10.32**	10.32
(ii) Trade receivables			
(iii) Long term Loans and advances	4(b)	**2891.85**	1060.24
(e) Other non-current assets	5	**91.72**	91.28
Current assets			
(a) Inventories	6	**141.95**	272.90
(b) Financial Assets			
(i) Investments	7(a)	**0.00**	0.00
(ii) Trade receivables	7(b)	**498.34**	518.03
(iii) Cash and cash equivalents	7(c)	**28.95**	15.42
(c) Loans	8	**0.00**	0.00
(d) Other current assets	9	**142.97**	105.17
Total Assets		**8282.05**	6232.91
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	**3494.00**	2209.00
(b) Other Equity	11	**4500.91**	2784.01
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12(a)	**17.38**	83.77
(ii) Other financial liabilities	12(b)		
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13(a)	**0.00**	0.00
(ii) Trade payables	13(b)	**259.32**	1144.16
(b) Other current liabilities	14	**8.84**	10.33
(c) Provisions	15	**1.59**	1.64
Total Equity and Liabilities		**8282.05**	**6232.91**
The accopmanying notes are an integarl part of these financial statements		*0*	*0.00*

As per our report of even date

For, Ankush Shinde & Company
Chartered Accountants

Ankush Shinde
Proprietor
(M. No. 187866)
UDIN NO- 26187866UMLVUX4373

Place : Satara
Date : 28th May, 2026

For and on behalf of the Board of Directors

Niraj Chandra
Chairman and
Managing Director
DIN: - 00452637

Deepa Agarwal
Director
DIN: 00452947

Snehal Mohite
Chief Financial Officer
PAN - AVOPJ4997N

Sagar Mohite
Company Secretary
M. No. F11632

Place : Satara
Date : 28th May, 2026

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

Particulars	Note No.	As at 31st March 2026 (Amount in Lacs)	As at 31st March 2025 (Amount in Lacs)
Revenue From Operations	16	**2438.04**	4043.59
Other Income	17	**54.68**	242.12
Total Income		**2492.72**	4285.71
EXPENSES			
Cost of materials consumed	18	**1417.24**	2976.21
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	19	**24.66**	-18.89
Employee benefits expense	20	**142.89**	132.50
Finance costs	21	**0.16**	-0.99
Depreciation and amortization expense	2	**200.97**	143.92
Other expenses			
(A) Manufacturing	22(a)	**478.47**	724.90
(B) Selling, Administrative and other Expenses	22(b)	**127.32**	215.55
Total other expenses (A+B)		**605.79**	940.45
Total expenses		**2391.70**	4173.19
Profit/(loss) before exceptional items and tax		**101.02**	112.52
Exceptional Items	23	**0.00**	0.00
Profit/(loss) before tax		**101.02**	112.52
Tax expense:			
(1) Current tax			
(2) Deferred tax			
Profit (Loss) for the period from continuing operations		**101.02**	112.52
Other Comprehensive Income		**0.00**	0.00
Total Comprehensive Income		**101.02**	112.52
Earnings per equity share (for continuing operation):			
(1) Basic		**0.29**	0.51
(2) Diluted		**0.29**	0.51

The accopmanying notes are an integarl part of these financial statements

As per our report of even date

For, Ankush Shinde & Company
Chartered Accountants

Ankush Shinde
Proprietor
(M. No. 187866)
UDIN NO- 26187866UMLVUX4373

Place : Satara
Date : 28th May, 2026

For and on behalf of the Board of Directors

Niraj Chandra
Chairman and
Managing Director
DIN: - 00452637

Deepa Agarwal
Director
DIN: 00452947

Snehal Mohite
Chief Financial Officer
PAN - AVOPJ4997N

Sagar Mohite
Company Secretary
M. No. F11632

Place : Satara
Date : 28th May, 2026

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

		31st March 2026	31st March 2025
		(Amount in Lacs)	(Amount in Lacs)
A. Cash flow Operating Activities			
Net profit/(loss) After Tax		**101.02**	112.52
Adjustment for Depreciation		**200.97**	143.92
Add expenses related to non- operating Activities (Loss on sale of assets)0.00		**0.00**	
Interest and Bank Charges		**0**	0.00
Operating Profit/(Loss) Before working capital changes		**301.99**	256.44
(Increase)/Decrease in current Assets		**-1719.22**	-1333.49
Inventories	**130.94**		-95.19
Trade Receivable	**19.70**		-225.23
Long term Loans and advances	**-1831.61**		-951.82
Short terms Loans and advances	**0.00**		0.00
(Increase)/Decrease in other Currrent Assets	**-38.25**		-61.25
Increase/ (Decrease) in Current Laibilities		**-886.37**	719.52
Trade payable	**-884.84**		720.70
other Laibilities	**-1.48**		-1.18
Provisions	**-0.05**		0.01
Cash Generated form Operations		**-2303.60**	-357.52
Less Tax Paid			0
Net cash form Operating Activities		**-2303.60**	-357.52
B. Cash Flow form Investing Activities			
(Purchase) / of fixed Assets		**-517.37**	-1529.67
Sale of Fixed Assets		**0.00**	0.00
Net Cash Flow from Investing Activities		**-517.37**	-1529.67
C. Cash Flow From Financial Activities			
Increase / (Decrease) in Borrowing		**-66.39**	-2641.00
Interest Paid			0
Proceed from issuing of Share capital		**2900.89**	3446.45
Money received against share warrants		**0.00**	1087.36
Investment		**0.00**	-10.00
Net Cash Flow from Financial Activities		**2834.50**	1882.81
Net Increase in Cash and cash Equivalent		**13.53**	-4.38
cash and cash equivalents at beginning of period		**15.42**	19.81
cash and cash equivalents at End of period		**28.95**	15.42

As per our report of even date

For, Ankush Shinde & Company
Chartered Accountants

Ankush Shinde
Proprietor
(M. No. 187866)
UDIN NO- 26187866UMLVUX4373

Place : Satara
Date : 28th May, 2026

For and on behalf of the Board of Directors

Niraj Chandra
Chairman and
Managing Director
DIN: - 00452637

Deepa Agarwal
Director
DIN: 00452947

Snehal Mohite
Chief Financial Officer
PAN - AVOPJ4997N

Sagar Mohite
Company Secretary
M. No. F11632

Place : Satara
Date : 28th May, 2026

Auditor's Certificate

The above cash flow statement has been complied from and is based on the Audited accounts of Kay Power and Paper Limited, for the year ended 31st March 2026 reported upon by us on 28th May, 2026. According to the inforamtion and explanations given, the aforsaid Cash Flow Statement has been prepared pursuant to Regulatuion 34 (2) (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

For, Ankush Shinde & Company
Chartered Accountants

Ankush Shinde
Proprietor
(M. No. 187866)
UDIN NO- 26187866UMLVUX4373

Place - Satara Date - 28th May, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH, 2026

(Amount in Lacs)

Equity Share Capital		
Balance as at 1st April, 2025	**Changes in equity share capital during the period**	**Balance as at 31st March, 2026**
2,209.00	1,285.00	3,494.00

Other Equity

(Amount in Lacs)

	Share application money pending allotment	Reserves and Surplus					
		Other Reserves (Special Capital Incentive of Govt. of Maharshtra)	Securities Premium Reserve	Retained Earnings	Total Reserve	Money received against share warrants	Total Other Equity
Balance as on 1st April, 2024	**0**	50.00	2.57	-769.90	-717.33	0.00	
Dividends	**0**	0.00	0.00	0.00	0.00	0.00	
Profit for the year	**0**	0.00	0.00	112.52	112.52	0.00	
Securities Premium	**0**	0.00	2301.45	0.00	2301.45	0.00	
Money received against share warrants	**0**	0.00	0.00	0.00	0.00	1087.36	
Total Comprehensive Income for the year 31st March, 2025	**0**	50.00	2304.02	-657.38	1696.65	0.00	
Balance as on 1st April, 2025	**0**	50.00	2304.02	-657.38	1696.65	1087.36	
Profit for the year	**0**	0.00	0.00	101.02	101.02	0.00	
Securities Premium	**0**	0.00	2582.85	0.00	2582.85	0.00	
Warrants Forfited	0	0.00	0.00	0.00	0.00	120.40	
Dividends	0	0.00	0.00	0.00	0.00	0.00	
Balance as on 31st March, 2026	**0**	**50.00**	**4886.87**	**-556.36**	**4380.51**	**120.40**	**4500.91**

As per our report of even date

For, Ankush Shinde & Company
Chartered Accountants

Ankush Shinde
Proprietor
(M. No. 187866)
UDIN NO- 26187866UMLVUX4373

Place : Satara
Date : 28th May, 2026

For and on behalf of the Board of Directors

Niraj Chandra
Chairman and
Managing Director
DIN: - 00452637

Deepa Agarwal
Director
DIN: 00452947

Snehal Mohite
Chief Financial Officer
PAN - AVOPJ4997N

Sagar Mohite
Company Secretary
M. No. F11632

Place : Satara
Date : 28th May, 2026

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information

Kay Power and Paper Limited, registered under the Companies Act 1956/2013 and having its registered office at Gat No. 454/457, Village Borgaon Satara-415519., mainly belongs to Paper Industry and operates in manufacturing of Kraft paper in various category. The Company's manufacturing facilities is located at Village Borgaon, Satara.

The Company is public limited company and is listed on the Bombay Stock Exchange (BSE)

2. Summary of Material Accounting Policies

a. Basis of preparation

Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended from time to time.

Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (up to two decimals).

b. Critical accounting estimates and management judgments

In application of the accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

c. 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 measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either, in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone

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 (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

d. Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within the operating cycle or twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

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

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating is assumed to be twelve months.

e. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns.

GST tax is excluded from revenue.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is included in other income in the statement of profit and loss.

f. Government Grant

Grants from the government are recognised

at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

g. Property, plant and equipment

Property, plant and equipment, Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit or loss as incurred. No decommissioning liabilities are expected or be incurred on the assets of plant and equipment.

Depreciation on Fixed Assets has been provided at the useful lives provided in Schedule II to the Companies Act, 2013 for SLM method on the original cost of the assets. No depreciation on remaining assets of Power Division is charged as power division was not functional and assets in power division remained idle for the whole year. Depreciation on Fixed Assets of Paper Division is charged for the whole year. Depreciation on addition to Fixed Assets is charged on pro-rata basis from date on which asset is put to use.

Intangible Assets

Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Separately acquired software are recorded as intangible assets and amortised from the point at which the asset is available for use. Usefule life of computer software is estimated at 3 years.

h. Inventory

Inventory comprises of stock of raw material, completed products for sale and work-in-progress. Inventory is valued at cost or net realizable value whichever is lower.

i. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

j. Taxes

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss of the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rate enacted or substantially enacted at the reporting date.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which those can be utilised. The differed tax assets are not recognized in the year as there is lack

of reasonable certainty that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and will be recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

k. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

l. Provisions and Contingent liability

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

Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for

i. possible obligations which will be confirmed only by future events not wholly within the control of the Company or

ii. present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

m. Employee benefits

Short-term obligations

Short-term employee benefits are expensed as the related service is provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within one year after the end of the period in which the employees render the related service are the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-employment obligations

The Company operates the following post-employment schemes:

i. defined benefit plans such as gratuity and

ii. defined contribution plans such as provident fund

Defined benefit plans

The liability for defined benefit obligation towards gratuity is recognised in the year of payment and in view of the heavy accumulated losses and due to the small eligible staff strength, no actuarial working is taken to avoid extra expenditure for it. The liability or asset in respect of defined benefit gratuity plans is not recognised in the balance sheet.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

n. Financial instruments

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value.

The classification depends on the Company's business model for managing the financial asset and the contractual terms of the cash flows. The

Company classifies its financial assets in the following measurement categories:

i. those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss),

ii. those measured at amortised cost, and

Subsequent measurement

For assets measured at fair value, gains and losses will either be recorded in 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 investment at fair value through other comprehensive income. All other financial assets are measured at amortised cost, using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss financial assets that are not fair valued.

The Company follows 'simplified approach' for recognition of impairment loss for trade receivables and lease receivables resulting from transactions within the scope of Ind AS 17 that have no significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized, is recognized under the head 'other expenses' in the statement of profit and loss. The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

De-recognition of financial assets

The Company derecognizes a financial asset when –

i. the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under IND AS 109.

ii. it retains contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

Financial liabilities

Initial recognition

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, as described below:

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within one year after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least one year after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

o. Earnings per share

The basic earnings per share is computed by dividing the net profit for the year attributable equity shareholders by the weighted average number of equity shares outstanding during the period. The Company does not have any potential equity share or warrant outstanding for the periods reported, hence diluted earnings per share is same as basic earnings per share of the Company.

p. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Company, assesses the financial performance and position of the Company, and makes strategic decisions. The Board of Directors is therefore considered to be the chief operating decision maker.

q. Critical estimated and judgements

i Impairment of Trade receivables

The Company estimates the un-collectability of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

ii Income Taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026 (Contd.)

Note 2 (a): Property, Plant and Equipment and Other Intangible Assets

(Amount in Lacs)

Sr. NO.	Name of Assets		GROSS BLOCK				Depreciation				Net Block	
PAPER DIVISION		Useful Life	Deemed Cost As on 31/3/25	Addition	Deduction	As on 31/3/26	As on 31/3/25	Accum Dep. On Assets sold	For the year	As on 31/3/26	As on 31/03/26	As on 31/03/25
	Paper Division											
1	Freehold Land		5.73	0.00		5.73	0.00		0.00	0.00	5.73	5.73
2	Site Development		13.49	0.00		13.49	0.00		0.00	0.00	13.49	13.49
3	Building	30	151.81	0.00		151.81	77.49		9.73	87.22	64.59	74.32
4	Well & Irrigation Scheme	5	2.15	0.00		2.15	0.00		0.00	0.00	2.15	2.15
5	Effluent Treatment Plant	25	18.22	0.00		18.22	17.51		0.06	17.58	0.65	0.71
6	Weigh Bridge	15	4.31	0.00		4.31	1.07		0.20	1.27	3.04	3.24
7	Boiler	25	1227.13	0.00		1227.13	163.69		42.42	206.11	1021.02	1063.44
8	Plant & Machinery	25	3404.89	0.00	15.00	3389.89	443.35		143.24	586.59	2803.31	2961.54
9	Laboratory Equipment	10	1.50	0.00		1.50	1.34		0.05	1.39	0.11	0.16
10	Furniture & Fixtures	10	0.17	0.00		0.17	0.04		0.00	0.04	0.12	0.12
11	Office Equipment	5	5.98	0.00		5.98	4.06		0.37	4.43	1.55	1.92
12	Vehicles	10	66.19	0.77		66.96	46.94		4.90	51.85	15.11	19.25
13	Softwate & Licenses	3	0.01	0.00		0.01	0.00		0.00	0.00	0.01	0.01
	Capital Work in Progress			531.60		531.60	0.00		0.00	0.00	531.60	0.00
			4901.60	**532.37**	**15**	**5418.97**	**755.51**	**0**	**200.97**	**956.48**	**4462.49**	**4146.09**

Sr. NO.	Name of Assets	Useful Life	GROSS BLOCK				Depreciation				Net Block	
POWER DIVISION			Deemed Cost As on 31/3/24	Addition	Deduction	As on 31/3/25	As on 31/3/24	Accum Dep. On Assets sold	For the year	As on 31/3/25	As on 31/03/25	As on 31/03/24
	Power Division											
1	Land & Site Devp.	0	11.23			11.23	0	0	0	0	11.23	11.23
10	Furniture & Fixures	10	0.45			0.45	0	0	0	-	0.45	0.45
11	Kiosk Unit	15	1.77			1.77	0	0	0	-	1.77	1.77
	Total		**13.45**	**0**	**0**	**13.45**	**0**	**0**	**0**	**-**	**13.45**	**13.45**
	Grand Total		**4,915.05**	**532.37**	**15**	**5,462.42**	**755.51**	**0**	**200.97**	**956.48**	**4475.94**	**4159.55**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

Note 2 (a): Property, Plant and Equipment and Other Intangible Assets

(Amount in Lacs)

PAPER DIVISION	Useful Life	GROSS BLOCK Deemed Cost As on 31/3/24	Addition	Deduction	As on 31/3/25	Depreciation As on 31/3/24	Accum Dep. On Assets sold	For the year	As on 31/3/25	Net Block As on 31/3/25	As on 31/3/24
Paper Division											
Freehold Land		5.73	0		5.73	0		0	0.00	5.73	5.73
Site Development		13.49	0		13.49	0		0	0.00	13.49	13.49
Building	30	151.00	0.81		151.81	67.80		9.69	77.49	74.32	83.20
Well & Irrigation Scheme	5	2.15	0		2.15	0		0.00	0.00	2.15	2.15
Effluent Treatment Plant	25	18.22	0		18.22	16.94		0.57	17.51	0.71	1.28
Weigh Bridge	15	4.31	0		4.31	0.85		0.22	1.07	3.24	3.46
Boiler	25	1227.13	0		1227.13	121.26		42.42	163.69	1063.44	1105.87
Plant & Machinery	25	1883.70	1521.19		3404.89	357.57		85.78	443.35	2961.54	1526.13
Laboratory Equipment	10	1.50	0		1.50	1.30		0.05	1.34	0.16	0.21
Furniture & Fixtures	10	0.17	0		0.17	0.04		0.00	0.04	0.12	0.12
Office Equipment	5	5.73	0.25		5.98	3.71		0.35	4.06	1.92	2.02
Vehicles	10	58.77	7.42		66.19	42.12		4.82	46.94	19.25	16.65
Softwate & Licenses	3	0.01	0		0.01	0		0.00	0.00	0.01	0.01
		3371.92	1529.67	0	4901.60	611.59	0	143.92	755.51	4146.09	2760.34

POWER DIVISION	Useful Life	GROSS BLOCK Deemed Cost As on 31/3/24	Addition	Deduction	As on 31/3/25	Depreciation As on 31/3/24	Accum Dep. On Assets sold	For the year	As on 31/3/25	Net Block As on 31/3/25	As on 31/3/24
Power Division											
Land & Site Devp.	0	11.23			11	0	0	0	0	11.23	11.23
Furniture & Fixures	10	0.45			0.45	0	0	0	-	0.45	0.45
Kiosk Unit	15	1.77			1.77	0	0	0	-	1.77	1.77
Total		**13.45**	**0.00**	**0**	**13.45**	**0**	**0**	**0**	**-**	**13.45**	**13.45**
Grand Total		**3,385.38**	**1529.67**	**0**	**4,915.05**	**611.59**	**0**	**143.92**	**755.51**	**4159.54**	**2773.79**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 3: CAPITAL WORK IN PROGRESS		
Opening balance	**0.00**	0.00
Add: Additions during the year	**531.60**	1518.59
Less:-Capitlised during the year	**0.00**	1518.59
Closing balance	**531.60**	0.00
NOTE 4: NON-CURRENT FINANCIAL ASSETS		
Note 4 (a). Non-current Investment		
1500 Equity shares of Rs. 10/- each of National General Industries Ltd.	**0.23**	0.23
900 equity shares of Rs.10 /- each of M/s. Scan Projects Limited (Formerly knowm as Ambala Cement Ltd)	**0.09**	0.09
100000 Equity shares of Rs. 10/- Each M/s. Satara Arospace and Defence Industrial Park Private Limited	**10.00**	**10.00**
Total 4(a)	**10.32**	10.32
Note 4(b): Long Term Loans and Advances		
Sundry Deposits (Pune Mumbai Court)	**0.23**	0.23
M.S.E.D.C.L. Deposits (Lift Scheme)	**0.61**	0.42
M.S.E.D.C.L. Deposits (HT Connection)	**78.35**	72.69
Telephone Deposits	**0.25**	0.25
Imprest	**0.25**	46.54
TDS Receivable	**1.73**	14.60
Prepaid Factory Licence Fee	**0.00**	0.68
Indian Infoline Commodities Ltd	**0.09**	0.09
Staff Advance	**0.13**	0.00
Prepaid mpcb Fee	**2.77**	3.69
Satara Aerospace & Defence Industrial Park Pvt Ltd	**2461.30**	921.05
Chandra Trading & Investment Pvt.Ltd	207.71	0.00
Kay Bouvet Heavy Engineering Ltd	74.25	0.00
Satara Engineering Projects & Equipments Pvt Ltd	64.2	0.00
Total 4 (b)	**2891.45**	1060.24

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

	As at 31st March 2026	As at 31st March 2025
	(Amounts in Lacs)	(Amounts in Lacs)
NOTE 5: OTHER NON CURRENT ASSETS		
Balances with scheduled bank in fixed deposits	**91.47**	91.03
Fixed Deposit as security for bank gaurantee for MPCB	**0.25**	0.25
Total (5)	**91.72**	91.28
NOTE 6: INVENTORIES		
Tools and spares (Valued at cost price)	**24.11**	27.33
Raw Material (Valued at cost price)	**60.25**	163.14
Finished goods (Valued at cost of production)	**57.32**	81.98
Oil And Lubricants	**0.27**	0.45
Total (6)	**141.95**	272.90
NOTE 7: CURRENT FINANCIAL ASSETS		
Note 7(a): Current Investment		
Accrued Income	**0.00**	0.00
Total 7 (a)	**0.00**	0.00
Note 7(b): Trade Receivable		
(Unsecured and considered goods)		
Outstanding over six months	**24.14**	24.14
Others	**474.20**	493.89
Total 7 (b)	**498.34**	518.03
Note 7(c): Cash and Bank Balances		
Cash in hand	**0.12**	1.41
Balances with bank	**28.83**	14.02
Total 7(c)	**28.95**	15.42

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 8: SHORT TERM LOANS AND ADVANCES		
Balances with statutory / public authoritiesadvance recoverable in cash or in kind or for value to be recoverable	**0.00**	0.00
Total (8)	**0.00**	0.00
NOTE 9: OTHER CURRENT ASSETS		
Other Current Asset	**142.97**	105.17
Total (9)	**142.97**	105.17
NOTE 10: SHARE CAPITAL		
AUTHORISED, ISSUED AND PAID-UP		
3,70,00,000 equity share of Rs.10/- each	**3700.00**	3700.00
Issued, subscribed and fully paid up shares 34940000 equity shares of Rs. 10 /- each (Current Year)		
22090000 SHARES @ RS.10/- EACH (Previous Year)	**3494.00**	2209.00
Total (10)	**3494.00**	2209.00

Movements in equity share capital	**No. of Shares**	No. of Shares
As at 1st April, 2025	**220.90**	106.40
Share issued during the year	**128.50**	114.50
As at 31st March, 2026	**349.40**	220.90

aa. Terms /rights attached to equity shares.

The company has only one class of equity shares at par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferantial amount. the distribution will be in proporation to the number of equity shares held by the shareholders.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

b. Details of shareholders holding more than 5% shares in the company (Equity shares of Rs. 10/- Fully paid)

Sr. No.	Name of Shareholders	31st March 2026 No. of Shares Held	31st March 2026 % of Holding	31st March 2025 No. of Shares Held	31st March 2025 % of Holding
1.	Mr.Niraj Chandra	**1958600**	**5.61%**	1958600	8.87%
2.	Mrs.Deepa Agarwal	**2286800**	**6.54%**	2286800	10.35%
3.	M/s Chandra Trading & Investment Pvt Ltd	**5767646**	**16.51%**	2767646	12.53%
4.	M/s Kay Nitroxygen Pvt Ltd	7300000	20.89%	2650000	12.00%

NOTE 11: OTHER EQUITY

Securities Premium Account* (a)	**4886.87**	2304.02
Money Received Against Share Warrants	**0.00**	1087.36
Warrants Forfited	**120.40**	0.00
Special capital incentive of Govt.of Maharashtra (b)	**50.00**	50.00
Accumulated Profit/(Loss)	**0.00**	0.00
Balance as per last balance sheet	**-657.38**	-769.90
Profit as per statement of Profit and loss	**101.02**	112.52
Total Accumulated Profit/(Loss) (c)	**-556.36**	-657.37
Total Other Equity (a+b+c+) (11)	**4500.91**	2784.01

*Securities Premium Reserve is premium on issue of shares. The reserve is utilised in accordance with the Provisions of the companies act 2013

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 12: NON-CURRENT FINANCIAL LIABILITIES		
Note 12(a):. Long Term Borrowings		
Secured Loan		
HDFC Vehical Loan	**7.78**	8.77
Sub-Total	**7.78**	8.77
Unsecured Loan		
Intercorporate Deposits (The terms of repayment of these deposits are not defined) + share application money	**9.60**	75.00
Diferred liability for sales tax (Maharashtra sales tax department has granted facility of differal of sales tax liability under package scheme of incentive)	**0.00**	0.00
Sub-Total	**9.60**	75.00
Total 12 (a)	**17.38**	83.77
Note 12(b) : Other financial liabilities		
Other financial liabilities	**0.00**	0.00
Total 12(b)	**0.00**	0.00

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 13: CURRENT FINANCIAL LAIBILITIES		
Note 13(a): Short term borrowings		
	0.00	0.00
Total 13(a)	**0.00**	0.00
Note 13(b) : Trade Payables		
Due to Micro, Small and medium Enterprises*		
Others	**259.32**	1144.16
Total 13(b)	**259.32**	1144.16

* In absence of any information from the vendors with regard to their registration under the micro, small and medium Enterprise Development act 2006, unable to determine, but the payments are released within credit extended by the vendors and there is no liability towards interest on delayed payments during the year under the said act. There is also no amount of outstanding interest in this regard brought forward from previous year

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 14: OTHER CURRENT LIABILITIES		
Salary Payables	**3.07**	3.20
Wages Payables	**5.40**	5.95
TDS Constractors Payable & TCS on sale	**0.26**	0.93
Imprest Account \security deposit	**0.07**	0.02
Vat Payable/GST payable/rcm	**0.04**	0.04
Staff Advance	**0.00**	0.19
Total (14)	**8.84**	10.33

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 15: OTHER SHORT TERM PROVISIONS		
Labour charges payables\meeting fees payable	**0.54**	0.42
Professional tax payables	**0.05**	0.07
Unpaid wages	**0.31**	0.35
Unpaid Salary	**0.11**	0.11
Employees PF Payables	**0.03**	0.04
Water charges payable	**0.56**	0.64
Total (15)	**1.59**	1.64
NOTE 16: REVENUE FROM OPERATION (GROSS)		
Kraft Paper	**1721.21**	3683.59
Firewood sale	**716.83**	360.00
Net Sales	**2438.04**	4043.59
Total (16)	**2438.04**	4043.59
NOTE 17:OTHER INCOME		
Foreign Exchange Rate Diff.	**1.87**	3.93
Account Written Off	**5.79**	183.41
Interest Received	**11.60**	10.84
IPS Subsidy Claim from Government	**27.47**	43.95
Insurance Claim Surplus	**7.95**	-
Total (17)	**54.68**	242.12
NOTE 18: COST OF MATERIAL CONSUMED		
Raw Material Consumed		
Opening Stock	**163.14**	84.45
Add. Purchases	**1314.35**	3054.89
Less. Closing Stock	**60.25**	163.14
Total (18)	**1417.24**	2976.21

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 19: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK -IN - PROGRESS AND STOCK - IN - HAND		
Stock at opening		
Finished goods	**81.98**	63.09
Less. Stock at closing	**0.00**	0.00
Finished goods	**57.32**	81.98
Total (19)	**24.66**	-18.89
NOTE 20: EMPLOYEE BENEFIT EXPENSES		
Salary and wages	**141.61**	131.17
Welfare Expenses	**0.78**	0.72
Contribution to P.F.	**0.38**	0.43
ESI Contribution	**0.12**	0.17
Total (20)	**142.89**	132.50
NOTE 21: FINANCE COST		
Bank Charges / commission /Intrest	**0.16**	-0.99
Total (21)	**0.16**	-0.99
NOTE 22: OTHER EXPENSES		
Note 22(a) Manufacturing Expenses		
Carriage Inward	**8.84**	11.21
Power & Fuel	**295.19**	486.67
Repairs and Maintainance	**70.31**	71.14
Other Manufacturing Expenses	**104.12**	155.88
Total 22(a)	**478.47**	724.90

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

	As at 31st March 2026	As at 31st March 2025
	(Amounts in Lacs)	(Amounts in Lacs)
(b) Selling and Administrative Expenses		
CDSL Custodian Fees	**0.75**	0.45
Legal & Professional Fees	**3.99**	31.57
Packing & Forwarding	**0.00**	0.01
Directors Sitting Fees	**0.09**	0.18
Factory Licence Fees	**0.68**	0.68
Boiler Inspection Fees	**0.05**	0.05
BSE Listing Fees	**3.25**	3.25
Audit Fees	**1.00**	1.00
Membership & Subscription	**0.03**	0.38
MPCB Cess / Testing Fees	**0.92**	1.42
Professional tax - company	**0.03**	0.03
Printing & Stationary	**1.88**	2.13
Postage & Telephone Expenses	**0.21**	0.66
Insurance	**4.04**	3.93
Rent, Rates & Taxes	**3.22**	4.04
Dealer Discount	**53.08**	124.44
Vehicle Repairs & Maintainance	**6.53**	10.29
Kraft Paper Loading charges	**16.86**	16.45
Advertisement Charges	**0.07**	0.39
Local Conveyance	**1.41**	0.73
Travelling Expenses	**1.52**	1.16
Miscellaneous Office Expenses	**10.05**	1.98
Drinking Water Charges	**0.82**	0.66
Professional tax - Directors	**0.03**	0.03
Water Charges	**16.82**	9.63
Total 22(b)	**127.32**	215.55
Total 22(a)+22(b)	**605.79**	940.45

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

	As at 31st March 2026	As at 31st March 2025
	(Amounts in Lacs)	(Amounts in Lacs)
NOTE 23: EXCEPTIONAL ITEM		
Total (23)	**0.00**	0.00

NOTE 24: Contingent Liabilities: #

Guarantee executed in favour of customs for EPCG has been expired and unascertained duty for unfulfilled export obligation is outstanding.

NOTE 25: Net deferred tax has not been recognised in view of uncertainty about future taxable income against asset which the deferred tax asset can be realised.

NOTE 26: C.I.F. value of imported wastepaper

C.I.F. value of imported wastepaper for 25-26 **Rs.2077343.13/- (USD -23026.71) - FOR 24-25 Rs. 46,50,876.57/- (USD -53359.3 $)**

NOTE NO. 27: Operating Segment: The company is engaged in the business of manufacturing of Kraft Paper and therefore, has only one reportable segment in accordance with IndAS 108 Operating Segments.

NOTE NO. 28: Government Grants: The company received IPS subsidy claim from Government of Maharashtra of Rs.27.47 Lakhs. The claim of Rs.27.47 Lakhs is sanctioned by Government but not received till the end of the year.

There are no unfulfilled conditions and other contingencies attached to government subsidy that has been recognized in the financial statements.

The subsidy received is of revenue nature sanctioned against state GST payment and treated as revenue income by the company and shown as other income in the Profit and Loss Account.

NOTE NO. 29:- Loss of Stock and Assets due to Fire

During the year, a fire occurred at the Company's plant situated at Borgaon on 10/03/2026 resulting in destruction of certain items of inventory and plant and equipment. Based on physical verification and assessment carried out, the loss has been determined as under:

Particulars	**Rs. in lakhs**
Loss of inventory	63.32
Loss of plant and equipment (net block as per books)	15.00
Total loss due to fire	**78.32**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

The Company had taken insurance cover for the aforesaid assets and has lodged a claim of Rs.86.27 lakhs which includes claim of Rs.63.32 Lakhs for loss of inventory and claim of Rs.22.95 Lakhs for value of loss of equipment with the insurer. The insurer has acknowledged the claim, though the claim remains unsettled as at the balance sheet date. Having regard to the insurer's acknowledgement of the claim and the Company's assessment of the terms of the policy, the management is of the view that recovery of the claim is virtually certain. Accordingly, in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets," insurance claim receivable amounting to Rs.86.27 lakhs has been recognised in the books and credited to the Statement of Profit and Loss.

The resultant net surplus of Rs.7.95 lakhs (being claim recognised as recoverable net of total loss due to fire) has been disclosed as an other income in the Statement of Profit and Loss for the year.

The claim recoverable of Rs.86.27 lakhs is included under Other Current Assets in the Balance Sheet as at 31/03/2026. Any difference between the amount recognised and the amount finally settled by the insurer will be recognised in the Statement of Profit and Loss in the year of final settlement.

NOTE 30:- ADDITIONAL REGULATORY AND OTHER INFORMATION AS REQUIRED BY THE SCHEDULE III OF THE COMPANIES ACT 2013

Note 30 (i) : There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1998 (45 of 1998) and rules made thereunder.

Note 30(ii) : The company has not been sanctioned working capital limit in excess of five crore rupees in aggregate from banks of financial institutions on the basis of security of current assets.

Note 30 (iii) : The company did not have any transactions with Companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 considering the information available with the company.

Note 30 (iv) : The company do have any parent company and accordingly, compliance with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017 is not applicable for the year under audit.

Note 30 (v) Key Financial Ratios

Rs. In Lakhs

Particulars	Unit of Measurement	March 31, 2026	March 31, 2025	Variation in %
Current Ratio	In multiples	3.01	0.78	281.89%
Debt Equity Ratio	In multiples	0.002	0.017	-87.04%
Return of Equity Ratio	In %	1.56%	4.21%	-63.09%
Inventory Turnover Ratio	In days	31.05	20.34	26.06%
Trade receivables Turnover Ratio	In days	76.09	36.60	107.90%
Trade Payables Turnover Ratio	In days	180.73	96.13	88.01%
Net Profit Ratio	In %	4.14%	2.78%	48.89%
Return on Capital Employed	In %	1.55%	2.74%	-43.53%
Return on Investment	In %	1.39%	2.31%	-39.75%

Formula adopted for above ratios

Current Ratio = Current Assets/(Total Current Liabilities- Security Deposits payable on Demand- Current Liabilities of Long Term Debt)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Debt Equity Ratio = Total Debt/ Total Equity

Return of Equity Ratio= Total Comprehensive Income/ Average Total Equity

Inventory Turnover Ratio= 365/(Net Revenue/Average Inventories)

Trade Receivables Turnover Ratio= 365/(Net Revenue/Average Trade Receivables)

Trade Payables Turnover Ratio= 365/(Purchase/Average Trade Payables)

Net Profit Ratio = Net Profit/ Net Revenue

Return on Capital Employed = (Total Comprehensive Income + Interest)/ (Average of Equity + Debt)

Return on Investment = Total Comprehensive Income/ Average Total Assets

Reasons for variation if more than 25%

- Current Ratio :- The current ratio is improved in the year under consideration due to substantial decrease in Trade Payables.

- Debt Equity Ratio :- Debt Equity ratio is improved in the year under consideration due to increase in equity on account of internal accruals and addition to paid up share capital and decrease in outside debts.

- Return of Equity Ratio :- Return on equity ratio is decreased due to increase in equity on account of internal accruals and addition to paid up share capital.

- Inventory Turnover Ratio : - Inventory Turnover Ratio is increased as the sale during the year is decreased substantially.

- Trade Receivables Turnover Ratio :- Trade Receivable turnover ration is increased during the year as the sale is substantially decreased during the year while amount of trade receivable is also increased.

- Trade Payables Turnover Ratio : - Trade payable ratio is increased during the year as the amount of purchases were lower while amount of trade payable is increased.

- Net Profit Ratio :- Net Profit Ratio is increased during the year as the amount as the company earned higher gross margin on sale and earned good profit on lower amount of sale.

- Return of Equity Ratio :- The return on equity ratio decreased due to increase in equity due to plough back of profit and addition to paid up equity share capital.

-Return on Investment :- Return of investment ration is decreased during the years because the amount of total assets is increased during the year.

Note 30 (vi): There is no scheme of arrangement approved by Competent Authority in terms of section 230 to 237 of the Companies Act 2013 during the year

Note 31(vii) The company has not advanced or loaned of invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) of entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing of otherwise) that the intermediary shall (i) directly of indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

The company has also not received any funds from any other person(s) of entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing of otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

Note : 30(viii) : The Company does not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the Tax Assessment under the Income Tax Act, 1961 during any of the years.

Note : 30 (ix) The company uses an accounting software for maintaining its books of account which has feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with at any time during the year. The audit trail has been preserved by the company as per the statutory requirements for record retention.

Note No. 30. Fair value measurement of financial Instruments

Financial Instruments by category: - In lakhs

Particulars	**31st March, 2026**			31st March, 2025		
	FVTPL	**FVOCI**	**Amortized Cost**	**FVTPL**	**FVOCI**	**Amortized Cost**
Financial Assets						
Investment						
Equity Instruments	**10.32**			10.32		
Trade receivables			**498.34**			518.03
Cash and cash equivalents			**28.95**			15.42
Other bank balances			**91.72**			91.28
Derivative Financial assets			**0.00**			0.00
Security deposits			**0.00**			0.00
Loans			**2891.85**			1060.25
Others			**142.97**			105.17
Total Financial assets	**10.32**		**3653.84**	**10.32**		**1790.15**
Financial liabilities			**0.00**			0.00
Borrowings			**17.38**			83.77
Public Deposits			**0.00**			0.00
Deferral Sales Tax			**0.00**			0.00
Trade payables			**259.32**			1144.16
Capital creditors			**0.00**			0.00
Security deposits taken			**0.00**			0.00
Other Financial liabilities			**10.44**			11.97
Total Financial liabilities			**287.14**			**1239.90**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

i) This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

The following table provides the fair value measurement hierarchy of the company's financial assets and liabilities that are measured at fair value or where the fair value disclosure is required.

Financial Assets and Liabilities measured at fair value - recurring fair value measurement at 31st March, 2026	Notes	Level 1	Level 2	Level 3	total
Financial Assets					
Financial Investment at FVPL					
Equity Instruments				10.32	10.32
Total Financial Assets				10.32	10.32
Financial Liabilities		0	0	0	0
Total Financial Liability		0	0	0	0

Financial Assets and Liabilities measured at fair value - recurring fair value measurement **at 31st March, 2025**	Notes	Level 1	Level 2	Level 3	total
Financial Assets					
Financial Investment at FVPL					
Equity Instruments				10.32	0.32
Total Financial Assets				10.32	0.32
Financial Liabilities		0	0	0	0
Total Financial Liability		0	0	0	0

Level- 3 If one or more of the significant is no based on observable data. The instrument is included in level three. This is the case for unlisted equity securities.

(ii) Valuation technique used to determine fair value

The following methods and assumptions were used to estimate the fair value of the level 3 financial instruments included in the above tables:

The investment in unquoted equity instrument represents investment in equity shares of Ambala Cements Ltd and National General Industries Ltd. The fair value arrived at is after taking into account the relevant financial indicators of the respective companies.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(iii) As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-

1. Trade receivables
2. Cash and cash equivalent
3. Other bank balances
4. Security deposits
5. Borrowings
6. Trade payables
7. Employee dues
8. Other payables

NOTE 30(i): FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

a. MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations and arises principally from the company's receivables from customers

i) Trade receivables:-

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 498.34 lakhs and Rs. 518.03 lakhs as of 31st March 2026 and 31st March 2025, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The company have stop supply mechanism in place in case outstanding goes beyond agreed limits. Based on prior experience and an assessment of the current economic environment, management believes there is no further credit risk provision required.

i a. Ageing Analysis of Trade Receivables Rs. In Lakhs

Particulars	**31/03/2026**	31/03/2025
More Than 6 months	**24.14**	24.14
Others	**474.20**	493.89

ib. Other financial assets:-

Credit risk on cash and cash equivalents is limited as the company generally invests in deposits with banks and financial institutions with good reputation. The Company's maximum exposure to credit risk is the carrying value of each class of financial assets.

b. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses or risking damage to company's reputation. In doing this, management considers both normal and stressed conditions. Management monitors the rolling forecast of the company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The company has access to funds from debt markets through loan from banks. The company invests its surplus funds in bank deposits.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	**Contractual Cash Flows As on 31/03/2026 Rs. In Lakhs**				
Financial Liabilities	**Carrying Value**	**Total**	**Within 12 months**	**1-5 Years**	**More than 5 Years**
Non- Current					
Borrowings	17.38	17.38		17.38	
Other Financial Liabilities	0	0		0	
Current					
Short Term Borrowings	0	0	0		
Trade Payables	259.32	259.32	259.32		
Other Current Liabilities	8.84	8.84	8.84		

Particulars	**Contractual Cash Flows As on 31/03/2025 Rs. In Lakhs**				
Financial Liabilities	**Carrying Value**	**Total**	**Within 12 months**	**1-5 Years**	**More than 5 Years**
Non- Current					
Borrowings	83.77	83.77		83.77	
Other Financial Liabilities	0	0		0	
Current					
Short Term Borrowings	0	0	0		
Trade Payables	1144.16	1144.16	1144.16		
Other Current Liabilities	10.33	10.33	10.33		

* Borrowing includes Inter-Corporate deposits. Repayment period of ICDs is not stipulated but it is assumed that they will be repaid over a period of five years.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

c. MANAGEMENT OF MARKET RISK:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e. currency rate, interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

i) Foreign currency risk

The company makes payment in foreign currency for material imported. The transactions in foreign currency constitute very small proportion of total transaction. Hence, foreign exchange risk is not material market risk to the Company. During the period under audit or in comparative period presented the company has not made any derivative financial instruments related transaction to cover foreign exchange risk or otherwise.

The company did not have any unhedged foreign currency exposure as on 31/03/2026 or any other earlier two preceding years.

ii) Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows on a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the company's interest rate position. Various variables are considered by the management in structuring the company's investment to achieve a reasonable competitive cost of funding. Only interest bearing loan outstanding is small amount of loan against vehicle bearing fixed interest. The company has not borrowed any other funds bearing interest.

NOTE 30 (ii): CAPITAL MANAGEMENT

(a) Risk management

The Company's capital comprises equity share capital, share premium, retained earnings attributable to equity holders.

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

The company had incurred heavy loss in past resulting in complete erosion of its net worth. Net worth has turned positive from year ended on 31/03/2018. But the company is not yet in position to pay dividend to share holder.

NOTE NO. 31 Consumption Statement For The Period Of 01.04.2025 To 31.03.2026

Amt in Lakhs

ITEM NAME	OPENING STOCK		PURCHASES		TOTAL		CONSUMPTION		CLOSING STOCK	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Bagasse	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(0.01)	(23.01)	(0.01)	(18.88)	(0.17)	(41.89)	(0.02)	(41.89)	0.00	0.00
Firewood	0.01	26.24	0.04	137.64	0.05	163.88	0.04	139.26	0.01	24.62
	(0.01)	(42.35)	(0.15)	(298.98)	(0.16)	(341.33)	(0.15)	(315.08)	(0.01)	(26.24)
cashew cake oil	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	(0.00)	(2.31)	(0.00)	(2.31)	(0.00)	(2.31)	0.00	0.00
coal	0.00	0.00	0.00	8.78	0.00	8.78	0.00	8.78	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Indian Waste Paper	0.00	72.73	0.07	1086.69	0.07	1159.43	0.07	1156.38	0.00	3.05
	(0.00)	(9.04)	(0.14)	(2536.62)	(0.14)	(2545.66)	(0.14)	(2472.93)	(0.00)	(72.73)
Imported Waste Paper	0.00	57.75	0.00	7.91	0.00	65.66	0.00	40.45	0.00	25.21
	(0.00)	(28.06)	(0.00)	(61.25)	(0.00)	(89.31)	(0.00)	(31.56)	(0.00)	(57.75)
Chemicals	0.00	5.29	0.00	49.41	0.00	54.71	0.00	49.72	0.00	4.99
	0.00	(4.88)	0.00	(106.94)	0.00	(111.82)	0.00	(106.52)	0.00	(5.29)
Packing Material	0.00	1.11	0.00	23.91	0.00	25.03	0.00	22.64	0.00	2.39
	0.00	(0.12)	0.00	(51.10)	0.00	(51.22)	0.00	(50.11)	0.00	(1.11)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

NOTE NO. 32: Related Party Disclosure:

List of the parties with whom transactions have taken place during the year. -

A. List of Directors of Kay Power and Paper Limited

1	Mr. Niraj Chandra	Chairman & Managing Director
2	Mrs. Deepa Agarwal	Non- Executive Non- Independent Director
3	Mr. Arvind Vinayak Kulkarni	Non- Executive Independent Director
4	Mr. Anilkumar Govind Bidkar	Non- Executive Independent Director
5	Mr. Satish Laxman Pharande	Non- Executive Independent Director

B. List of Key Managerial Personnel of Kay Power and Paper Limited

1	Mr. Niraj Chandra	Chairman & Managing Director
2	Mr. Sagar Mohite	Company Secretary & Compliance Officer
3	Mrs. Snehal Hemant Mohite,	Chief Financial Officer

C. . Entities where control/ significant influence by KMPs and their Relatives exists and with whom transactions have taken place.

1 Kay Bouvet Engineering Limited
2 Kay Nitroxygen Private Limited
3 Kay Chandra Iron Engineering works Pvt Ltd
4 Kay Inns Pvt Ltd
5 Kay Inns & Investment Private Limited
6 Satara Engineering Products & Equipment Ltd
7 Chandra Trading & Investment Pvt Ltd
8 Satara Aerospace and Defence Industrial Park Private Limited (Wholly Owned Subsidiary Company)

Relatives of Directors and Key Management Personnel, where transactions have taken place:

1 Mrs. Aditi Chandra

1) Details of Related Party Transactions are as follows: - (Rs. in Lacs)

A. Remuneration to Directors & KMP

Remuneration to Directors & KMP		Financial Year	
		2025-26	2024-25
1	Mr. Arvind V. Kulkarni - Independent Director	**3.00**	3.00
2	Mr. Sandip Shahpurkar - Independent Director (Sitting Fees+ Reimbursement Exp)	**0.00**	0.08
3	Mr. K N Wadikar - Independent Director (Sitting Fees+ Reimbursement Exp)	**0.00**	008
4	Mr. Satish L Pharande- Independent Director (Sitting Fees+ Reimbursement Exp)	**0.12**	0.05
5	Mr. Sagar Mohite, Company Secretary & Compliance Officer	**8.98**	8.76
6	Mrs. Snehal Hemant Mohite, Chief Financial Officer	**3.03**	2.80

B. . Purchase of Material and Services Received

(Rs. in Lacs)

Sr No.	Name of the related party	01/04/2025 to 31/03/2026					01/04/2024 to 31/03/2025				
		Opening Balance as on 01/04/2025	Material Purchase	Services Received	Payment Made	Outstanding Bal as on 31/03/2026	Opening Balance as on 01/04/2024	Material Purchase	Services Received	Payment Made	Outstanding Bal as on 31/03/2025
1	Kay Bouvet Engineering Limited-Regular Purchase Transactions	0.00	14.11	0	11.00	3.11	12.57	7.45	0	20.01	0.00
	Kay Bouvet Engineering Limited-capital goods Purchase Transactions	-24.16	7.56	0	0	-16.60	28.47	0	0	52.63	-24.16
2	Kay Nitroygen Private Limited	0.69	0.85	0	0	1.54	0	0.69	0	0	0.69
3	Chandra Trading & Investment Pvt Ltd.	0	0.43	0	0	0.43	0	0	0	0	0
4	Satara Engineering Projects and Equipments Ltd (capital goods)	696.44	606.93	0	1446.52	-143.15	0	1736.43	0	1039.99	696.44

C.(a) Unsecured Loan Taken

(Rs. in Lacs)

Sr. No.	Name of the related party	01/04/2025 to 31/03/2026				01/04/2024 to 31/03/2025			
		Opening Bal as on 01/04/2025	Received	Pay-ment	Outstanding Bal as on 31/03/2026	Opening Bal as on 01/04/2024	Received	Pay-ment	Outstanding Bal as on 31/03/2025
1	Kay Inns and Investment Pvt. Ltd	71.00	0.00	71.00	0.00	307.00	0.00	236.00	71.00
2	Kay Inns Pvt Ltd	0.00	0.00	0.00	0.00	50.00	0.00	50.00	0.00
3	Kay Nitroxygen (P) Ltd	0.00	0.00	0.00	0.00	744.00	0.00	744.00	0.00
4	Mrs. Aditi Chandra	4.00	0.00	0.00	4.00	4.00	0.00	0.00	4.00
5	Kay Chandra Iron Engineering Works Ltd	0.00	0.00	0.00	0.00	165.00	0.00	165.00	0.00
6	Shushil Chandra HUF	0.00	11.20	5.60	5.60	60.00	0	60.00	0.00
7	Chandra Trading and Investment Pvt Ltd	0	1550.00	0	1550.00	0	0	0	0

C. (b) Unsecured Loan given

(Rs. in Lacs)

Sr. No.	Name of the related party	01/04/2025 to 31/03/2026				01/04/2024 to 31/03/2025			
		Opening Bal as on 01/04/2025	Received	Payment	Outstanding Bal as on 31/03/2026	Opening Bal as on 01/04/2024	Received	Pay-ment	Outstanding Bal as on 31/03/2025
1	Chandra Trading & Investment Pvt Ltd	0.00	682.25	889.95	207.70	1244.28	0.00	1244.28	0.00
2	Satara engineering products & equipment ltd	0.00	135.80	200.00	64.20	14.00	24.00	10.00	0.00
3	Satara Aerospace and Defence Industrial Park Private Limited (Ad-vance given)	921.00	0	0	921.00	0	0	921.00	921.00
4.	Kay Bouvet Heavy Engineering Ltd.	0	199.00	273.25	74.25	0	0	0	0
5	Satara Aerospace and Defence Industrial Park Private Limited	0	1550.00	0	1550.00	0	0	0	0

D) OUTSTANDING BALANCE AS ON 31.03.2026: (RS. IN LACS)

a) Key Management Personnel - NIL

Following are the outstanding balances receivable as on 31.03.2026 . Details of transactions with these companies are mentioned in above table of Unsecured Loans

Sr. No.	Name of the related party	Balance as on 31/03/2026	Balance as on 31/03/2025
1.	Chandra Trading & Investment Pvt Ltd	207.70	0
2.	Kay Bouvet Heavy Engineering Ltd.	74.25	0
3.	Satara engineering projects & equipments Ltd	64.20	0
4.	Satara Aerospace and Defence Industrial Park Pvt Ltd	2461.30	921.05

NOTE 33: Payment to Statuary Auditors

Particulars	2025-26	2024-25
For Audit Fees	1.00	1.00

NOTE 34: the previous year figures have been re-grouped/ re-classified to confirm to current year classification

Note: - Figures in bracket pertain to previous year or reverse impact

The accompanying notes are an integral part of the financial statements

The accompanying notes are an integral part of the financial statements

As per our report of even date

For, Ankush Shinde & Company
Chartered Accountants

Ankush Shinde
Proprietor
(M. No. 187866)
UDIN NO - 26187866UMLVUX4373

Place : Satara
Date : 28th May 2026

For and on behalf of the Board of Directors

Niraj Chandra
Chairman and
Managing Director
DIN: - 00452637

Deepa Agarwal
Director
DIN: 00452947

Snehal Mohite
Chief Financial Officer
PAN - AVOPJ4997N

Sagar Mohite
Company Secretary
M. No. F11632

Place : Satara
Date : 28th May 2026

AUDITORS' REPORT

TO MEMBERS OF KAY POWER AND PAPER LIMITED

REPORT ON AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the consolidated financial statements of Kay Power and Paper Limited ("the Holding Company") and its subsidiary Satara Aerospace and Defence Industrial Park Private Limited (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2026 consolidated statement of Profit and Loss, consolidated Statement of changes in equity and consolidated Statement of Cash Flows for the year then ended, and notes to consolidated financial statements, including a summary of material 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 standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, and its consolidated profit, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

We have determined that there are no key audit matters to communicate in our report on consolidated financial statements.

OTHER INFORMATION

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on Consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial statements or our knowledge obtained in the audit or otherwise appear 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 CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view

of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management of the holding Company and of its subsidiaries included in the Group is responsible for assessing each 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 respective management and Board of Directors of the Company and of its subsidiaries included in the Group are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 and Board of Directors use of the going concern basis of accounting in preparation of Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on ability of the Group to

continue as a going concerns. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group (Holding Company and Subsidiary) to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of consolidated financial statements, including the disclosures, and whether consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities on business activities within the Group to express an opinion on the Consolidated Financial Statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of companies included in the Consolidated Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, to report on matters specified in paragraphs 3 and 4 of the Order to the extent applicable, we report that there have not been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in these consolidated financial statements.
2. As required by Section 143(3) of the Act, we report to the extent applicable, that:
   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;
   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Company so far as appears from our

examination of those books;

(c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements

(d) In our opinion, consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act except Ind AS 19 regarding 'Employee Benefits' on account of non-provision for liability towards post-employment defined benefit plans like gratuity payable to employees as described in the Note 2(k) of Notes to accounts of Holding company.

(e) On the basis of written representations received from the directors of holding company as on March 31, 2026 and taken on record by the Board of Directors of holding company, none of the directors of group companies is disqualified as on March 31, 2026 from being appointed as a director in terms of sub-section (2) of Section 164 of the Companies Act, 2013

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate report in Annexure A;

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

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

i. The Holding Company and Subsidiary did not have any pending litigation as on March 31, 2026 having material impact on its financial position.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as on March 31, 2026.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and Subsidiary during the year ended on March 31, 2026.

iv. a. The management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other person or entity, including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the group from any

person or entity including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

c. Based on such audit procedures 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 (iv)(a) and (iv)(b) above contain any material misstatement.

v. There are no events of dividend declared and paid by the Holding Company and Subsidiary during the year until the date of this report, hence compliance with provisions of section 123 of the Companies Act, 2013 is not required.

vi. Based on the information and explanations given to us and based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which does not have a working feature of recording audit trail (edit log) facility. We report that during the course of our audit we found that the audit trail has not been preserved by the company.

For Ankush Shinde & Company
Chartered Accountants

Place : Satara
Date : 28th May 2026

Ankush Shinde
Proprietor
Mem. No.187866FRN
FRN:148983W
UDIN:- 26187866RZLYK23118

Annexure - A to the 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")

We have audited the internal financial controls over financial reporting of Kay Power and Paper Limited ('the Holding Company') as of and for the year ended 31st March 2026, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporate in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in 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 with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that,

in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 consolidated financial statements.

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

Opinion

In our opinion, the Holding Company and Subsidiary have, in all material respects, adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements reporting were operating effectively as at 31 March, 2026 based on the internal control with reference to Consolidated Financial Statements criteria established by such companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ankush Shinde & Company
Chartered Accountants

Place : Satara
Date : 28th May 2026

Ankush Shinde
Proprietor
Mem. No.187866FRN
FRN:148983W
UDIN:- 26187866RZLYK23118

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2026

Particulars	Note No.	As at 31st March 2026 (Amount in Lacs)	As at 31st March 2025 (Amount in Lacs)
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	**4475.93**	4159.53
(b) Capital work-in-progress	3	**0.00**	0.00
(c) Other Intangible assets	2	**0.01**	0.01
(d) Financial Assets			
(i) Non - Current Investments	4(a)	**0.32**	0.32
(ii) Trade receivables			
(iii) Long term Loans and advances	4(b)	**1980.55**	139.19
(e) Other non-current assets	5	**91.84**	91.30
Current assets			
(a) Inventories	6	**141.95**	272.90
(b) Financial Assets			
(i) Investments	7(a)	**0.00**	0.00
(ii) Trade receivables	7(b)	**498.34**	518.03
(iii) Cash and cash equivalents	7(c)	**29.14**	25.45
(c) Loans	8	**0.00**	0.00
(d) Other current assets	9	**1063.97**	1026.17
Total Assets		**8282.05**	6232.91
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	**3494.00**	2209.00
(b) Other Equity	11	**4500.91**	2784.01
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12(a)	**17.38**	83.77
(ii) Other financial liabilities	12(b)		
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13(a)	**0.00**	0.00
(ii) Trade payables	13(b)	**259.32**	1144.16
(b) Other current liabilities	14	**8.84**	10.33
(c) Provisions	15	**1.59**	1.64
Total Equity and Liabilities		**8282.05**	6232.91
The accopmanying notes are an integarl part of these financial statements		*0*	*0.00*

As per our report of even date

For, **Ankush Shinde & Company**
Chartered Accountants

Ankush Shinde
Proprietor
(M. No. 187866)
UDIN NO- 26187866RZLYKZ3118

Place : Satara
Date : 28th May, 2026

For and on behalf of the Board of Directors

Niraj Chandra
Chairman and
Managing Director
DIN: - 00452637

Deepa Agarwal
Director
DIN: 00452947

Snehal Mohite
Chief Financial Officer
PAN - AVOPJ4997N

Sagar Mohite
Company Secretary
M. No. F11632

Place : Satara
Date : 28th May, 2026

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

Particulars	Note No.	As at 31st March 2026 (Amount in Lacs)	As at 31st March 2025 (Amount in Lacs)
Revenue From Operations	16	**2438.04**	4043.59
Other Income	17	**54.68**	242.12
Total Income		**2492.72**	4285.71
EXPENSES			
Cost of materials consumed	18	**1417.24**	2976.21
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	19	**24.66**	-18.89
Employee benefits expense	20	**142.89**	132.50
Finance costs	21	**0.16**	-0.99
Depreciation and amortization expense	2	**200.97**	143.92
Other expenses			
(A) Manufacturing	22(a)	**478.47**	724.90
(B) Selling, Administrative and other Expenses	22(b)	**127.32**	215.55
Total other expenses (A+B)		**605.79**	940.45
Total expenses		**2391.70**	4173.19
Profit/(loss) before exceptional items and tax		**101.02**	112.52
Exceptional Items	23	**0.00**	0.00
Profit/(loss) before tax		**101.02**	112.52
Tax expense:			
(1) Current tax			
(2) Deferred tax			
Profit (Loss) for the period from continuing operations		**101.02**	112.52
Other Comprehensive Income		**0.00**	0.00
Total Comprehensive Income		**101.02**	112.52
Earnings per equity share (for continuing operation):			
(1) Basic		**0.00**	0.00
(2) Diluted		**0.00**	0.00

Significant Accounting Policies *1*

The accopmanying notes are an integarl part of these financial statements

As per our report of even date

For, **Ankush Shinde & Company**
Chartered Accountants

Ankush Shinde
Proprietor
(M. No. 187866)
UDIN NO- 26187866RZLYKZ3118

Place : Satara
Date : 28th May, 2026

For and on behalf of the Board of Directors

Niraj Chandra
Chairman and
Managing Director
DIN: - 00452637

Deepa Agarwal
Director
DIN: 00452947

Snehal Mohite
Chief Financial Officer
PAN - AVOPJ4997N

Sagar Mohite
Company Secretary
M. No. F11632

Place : Satara
Date : 28th May, 2026

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

		31st March 2026 (Amount in Lacs)	31st March 2025 (Amount in Lacs)
A. Cash flow Operating Activities			
Net profit/(loss) After Tax		**101.02**	112.52
Adjustment for Depreciation		**200.97**	143.92
Add expenses related to non- operating Activities (Loss on sale of assets)		**0.00**	0
Interest and Bank Charges		**0**	0
Operating Profit/(Loss) Before working capital changes		**301.99**	256.44
(Increase)/Decrease in current Assets		**-1729.05**	-1333.44
Inventories	**130.94**		-95.19
Trade Receivable	**19.70**		-225.23
Long term Loans and advances	**-1841.36**		-30.77
Short terms Loans and advances	**0.00**		0
(Increase)/Decrease in other Currrent Assets	**-38.33**		-982.25
Investment	**0.00**		0
Increase/ (Decrease) in Current Laibilities		**-886.37**	719.52
Trade payable	-884.84		720.70
other Laibilities	**-1.48**		-1.18
Provisions	**-0.05**		0.01
Cash Generated form Operations		**-2313.44**	-357.48
Less Tax Paid			
Net cash form Operating Activities		**-2313.44**	-357.48
B. Cash Flow form Investing Activities			
(Purchase) / of fixed Assets		**-517.37**	-1529.70
Sale of Fixed Assets		**0.00**	
Net Cash Flow from Investing Activities		**-517**	-1529.70
C. Cash Flow From Financial Activities			
Increase / (Decrease) in Borrowing		**-66.39**	-2641.00
Interest Paid			
Share capital and share warrant		**2900.89**	4533.81
Net Cash Flow from Financial Activities		**2834.50**	1892.81
Net Increase in Cash and cash Equivalent		**3.69**	5.64
cash and cash equivalents at beginning of period		**25.45**	19.81
cash and cash equivalents at End of period		**29.14**	25.45

As per our report of even date

For, Ankush Shinde & Company
Chartered Accountants

Ankush Shinde
Proprietor
(M. No. 187866)
UDIN NO- 26187866RZLYKZ3118

Place : Satara
Date : 28th May, 2026

For and on behalf of the Board of Directors

Niraj Chandra
Chairman and
Managing Director
DIN: - 00452637

Deepa Agarwal
Director
DIN: 00452947

Snehal Mohite
Chief Financial Officer
PAN - AVOPJ4997N

Sagar Mohite
Company Secretary
M. No. 11632

Place : Satara
Date : 28th May, 2026

Auditor's Certificate

The above cash flow statement has been complied from and is based on the Audited accounts of Kay Power and Paper Limited, for the year ended 31st March 2026 reported upon by us on 28th May, 2026. According to the inforamtion and explanations given, the aforsaid Cash Flow Statement has been prepared pursuant to Regulatuion 34 (2) (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

As per our report even date

For Ankush Shinde & Company
Chartered Accountants
Ankush Shinde
Proprietor
(M. No. 187866)
UDIN NO - 26187866RZLYKZ3118

Place - Satara Date - 28th May, 2026

CONSOLIDATD STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2026

(Amount in Lacs)

Equity Share Capital		
Balance as at 1st April, 2025	**Changes in equity share capital during the period (addition)**	**Balance as at 31st March, 2026**
2,209	1,285	3,494

Other Equity

(Amount in Lacs)

	Share application money pending allotment	Reserves and Surplus					
		Other Reserves (Special Capital Incentive of Govt. of Maharshtra)	Securities Premium Reserve	Retained Earnings	Total Reserve	Money received against share warrants	Total Other Equity
Balance as on 1st April, 2024	0	50.00	2.57	-769.90	-717.33		
Profit for the year			0.00	112.52	112.52		
Securities Premium			2301.45	0.00	2301.45		
Money received against share warrants			0.00	0.00		1087.36	
Dividends			0.00	0.00	0.00		
Balance as on 31st March, 2025	**0**	**50.00**	**2304.02**	**-657.38**	**1696.65**	**1087.36**	
Balance as on 1st April, 2025	**0**	**50.00**	**2304.02**	**-657.38**	**1696.65**	**1087.36**	
Profit for the year			0.00	101.02	101.02		
Securities Premium			2582.85	0.00	2582.85		
Warrants Forfited			0.00	0.00		120.40	
Dividends			0.00	0.00	0.00		
		50.00	**4886.87**	**-556.36**	**4380.51**	**120.40**	**4500.91**

As per our report of even date

For, Ankush Shinde & Company
Chartered Accountants

Ankush Shinde
Proprietor
(M. No. 187866)
UDIN NO- 26187866RZLYKZ3118

Place : Satara
Date : 28th May, 2026

For and on behalf of the Board of Directors

Niraj Chandra
Chairman and
Managing Director
DIN: - 00452637

Deepa Agarwal
Director
DIN: 00452947

Snehal Mohite
Chief Financial Officer
PAN - AVOPJ4997N

Sagar Mohite
Company Secretary
M. No. F11632

Place : Satara
Date : 28th May, 2026

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information

Holding Company- Kay Power and Paper limited, registered under the Companies Act 1956/2013 and having its registered office at Gat No. 454/457, Village Borgaon Satara-415519., mainly belongs to Paper Industry and operates in manufacturing of Kraft paper in various categories. The Company's manufacturing facilities is located at Village Borgaon, Satara.

The Company is a public limited company and is listed on the Bombay Stock Exchange (BSE)

Wholly owned subsidiary company – M/s. Satara Aerospace and Defense Industrial Park Private Limited into the business of manufacture, sellers, import, export of sugar, paper, cement chemical, heavy engineering machinery, turnkey projects, specialized machinery and equipment and other industrial machinery in any form and shape, and manufacture of oxygen plants, cryogenic vessels for storage of oxygen and allied, dura cylinders, manifolds, transport tankers & other fabrication items used for these plants.

2. Summary of Material Accounting Policies

a. Basis of preparation

Statement of Compliance

The Consolidated Financial Statements ("the financial statements") relate to the Company and its subsidiary (collectively "the group"). The Consolidated Financial Statements of the Group are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis. The Ind AS are prescribed under section 133 of the Companies Act, 2013, and the relevant provisions thereof. The financial statements of the subsidiary company used in the preparation of the Consolidated financial statements have been drawn upto the same report date as that of the parent Company. Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use. The Group has prepared these Consolidated Financial Statements as per the format prescribed in Schedule III to the Companies Act, 2013.

The holding and subsidiary companies must follow uniform accounting policies for like transactions and other events in similar circumstances.

b) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (up to two decimals).

c) Inter-company Transactions

All intra-group balances and transactions are eliminated in full during consolidation.

d) Investments.

Investment in the subsidiary in the books of the holding company is eliminated against the parent's share in the net assets of the subsidiary.

e) Critical accounting estimates and management judgments.

In application of the accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The

estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

f) Fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either, in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated 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 (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

g) Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within the operating cycle or twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

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

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating is assumed to be twelve months.

h) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns.

GST tax is excluded from revenue.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is included in other income in the statement of profit and loss.

i) Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

j) Property, plant and equipment

Property, plant and equipment, Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit or loss as incurred. No decommissioning liabilities are expected or be incurred on the assets of plant and equipment.

Depreciation on Fixed Assets has been provided at the useful lives provided in Schedule II to the Companies Act, 2013 for SLM method on the original cost of the assets. No depreciation on remaining assets of Power Division is charged as power division was not functional and assets in power division remained idle for the whole year. Depreciation on Fixed Assets of Paper Division is charged for the whole year. Depreciation on addition to Fixed Assets is charged on pro-rata basis from date on which asset is put to use.

Policies must be consistent across both companies.

Intangible Assets

Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Separately acquired software are recorded as intangible assets and amortised from the point at which the asset is available for use. Usefule life of computer software is estimated at 3 years.

k) Inventory

Inventory comprises of stock of raw material, completed products for sale and work-in-progress. Inventory is valued at cost or net realizable value whichever is lower.

l) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

m) Taxes

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss of the year and any adjustment to the tax payable or receivable in respect of previous

years. It is measured using tax rate enacted or substantially enacted at the reporting date.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which those can be utilised. The differed tax assets are not recognized in the year as there is lack of reasonable certainty that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and will be recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

n) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

o) Provisions and Contingent liability

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

Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for

i. possible obligations which will be confirmed only by future events not wholly within the control of the Company or

ii. present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

p. Employee benefits

Short-term obligations

Short-term employee benefits are expensed as the related service is provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within one year after the end of the period in which the employees render the related service are the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-employment obligations

The Company operates the following post-employment schemes:

i. defined benefit plans such as gratuity and

ii. defined contribution plans such as provident fund

Defined benefit plans

The liability for defined benefit obligation towards gratuity is recognised in the year of payment and in view of the heavy accumulated losses and due to the small eligible staff strength, no actuarial working is taken to avoid extra expenditure for it. The liability or asset in respect of defined benefit gratuity plans is not recognised in the balance sheet.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

q. Financial instruments

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value.

The classification depends on the Company's business model for managing the financial asset and the contractual terms of the cash flows. The Company classifies its financial assets in the following measurement categories:

i. those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss),

ii. those measured at amortised cost, and

Subsequent measurement

For assets measured at fair value, gains and losses will either be recorded in 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 investment at fair value through other comprehensive income. All other financial assets are measured at amortised cost, using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss financial assets that are not fair valued.

The Company follows 'simplified approach' for recognition of impairment loss for trade receivables and lease receivables resulting from transactions within the scope of Ind AS 17 that have no significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized, is recognized under the head 'other expenses' in the statement of profit and loss. The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

De-recognition of financial assets

The Company derecognizes a financial asset when –

i. the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under IND AS 109.

ii. it retains contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

Financial liabilities

Initial recognition

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, as described below:

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within one year after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least one year after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach

r. Earnings per share

The basic earnings per share is computed by dividing the net profit for the year attributable equity shareholders by the weighted average number of equity shares outstanding during the period. The Company does not have any potential equity share or warrant outstanding for the periods reported, hence diluted earnings per share is same as basic earnings per share of the Company.

s. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Company, assesses the financial performance and position of the Company, and makes strategic decisions. The Board of Directors is therefore considered to be the chief operating decision maker.

t. Critical estimated and judgements

i Impairment of Trade receivables

The Company estimates the un-collectability of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

ii Income Taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026 (Contd.)

Note 2 (a): Property, Plant and Equipment and Other Intangible Assets

(Amount in Lacs)

Sr. NO.	Name of Assets	Useful Life	GROSS BLOCK				Depreciation				Net Block	
PAPER DIVISION			Deemed Cost As on 31/3/25	Addition	Deduction	As on 31/3/26	As on 31/3/25	Accum Dep. On Assets sold	For the year	As on 31/3/26	As on 31/03/26	As on 31/03/25
	Paper Division											
1	Freehold Land		5.73	0.00		5.73	0.00		0.00	0.00	5.73	5.73
2	Site Development		13.49	0.00		13.49	0.00		0.00	0.00	13.49	13.49
3	Building	30	151.81	0.00		151.81	77.49		9.73	87.22	64.59	74.32
4	Well & Irrigation Scheme	5	2.15	0.00		2.15	0.00		0.00	0.00	2.15	2.15
5	Effluent Treatment Plant	25	18.22	0.00		18.22	17.51		0.06	17.58	0.65	0.71
6	Weigh Bridge	15	4.31	0.00		4.31	1.07		0.20	1.27	3.04	3.24
7	Boiler	25	1227.13	0.00		1227.13	163.69		42.42	206.11	1021.02	1063.44
8	Plant & Machinery	25	3404.89	0.00	15.00	3389.89	443.35		143.24	586.59	2803.31	2961.54
9	Laboratory Equipment	10	1.50	0.00		1.50	1.34		0.05	1.39	0.11	0.16
10	Furniture & Fixtures	10	0.17	0.00		0.17	0.04		0.00	0.04	0.12	0.12
11	Office Equipment	5	5.98	0.00		5.98	4.06		0.37	4.43	1.55	1.92
12	Vehicles	10	66.19	0.77		66.96	46.94		4.90	51.85	15.11	19.25
13	Softwate & Licenses	3	0.01	0.00		0.01	0.00		0.00	0.00	0.01	0.01
	Capital Work in Progress			531.60		531.60	0.00		0.00	0.00	531.60	0.00
			4901.60	**532.37**	**15**	**5418.97**	**755.51**	**0**	**200.97**	**956.48**	**4462.49**	**4146.09**

Sr. NO.	Name of Assets	Useful Life	GROSS BLOCK				Depreciation				Net Block	
POWER DIVISION			Deemed Cost As on 31/3/24	Addition	Deduction	As on 31/3/25	As on 31/3/24	Accum Dep. On Assets sold	For the year	As on 31/3/25	As on 31/03/25	As on 31/03/24
	Power Division											
1	Land & Site Devp.	0	11.23			11.23	0	0	0	0	11.23	11.23
10	Furniture & Fixures	10	0.45			0.45	0	0	0	-	0.45	0.45
11	Kiosk Unit	15	1.77			1.77	0	0	0	-	1.77	1.77
	Total		**13.45**	**0**	**0**	**13.45**	**0**	**0**	**0**	**-**	**13.45**	**13.45**
	Grand Total		**4,915.05**	**532.37**	**15**	**5,462.42**	**755.51**	**0**	**200.97**	**956.48**	**4475.94**	**4159.55**

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025 (Contd.)

Note 2 (a): Property, Plant and Equipment and Other Intangible Assets

(Amount in Lacs)

Sr. NO.	Name of Assets	Useful Life	GROSS BLOCK				Depreciation				Net Block	
PAPER DIVISION			Deemed Cost As on 31/3/24	Addition	Deduction	As on 31/3/25	As on 31/3/24	Accum Dep. On Assets sold	For the year	As on 31/3/25	As on 31/03/25	As on 31/03/24
	Paper Division											
1	Freehold Land		5.73	0		5.73	0		0	0.00	5.73	5.73
2	Site Development		13.49	0		13.49	0		0	0.00	13.49	13.49
3	Building	30	151.00	0.81		151.81	67.80		9.69	77.49	74.32	83.20
4	Well & Irrigation Scheme	5	2.15	0		2.15	0		0.00	0.00	2.15	2.15
5	Effluent Treatment Plant	25	18.22	0		18.22	16.94		0.57	17.51	0.71	1.28
6	Weigh Bridge	15	4.31	0		4.31	0.85		0.22	1.07	3.24	3.46
7	Boiler	25	1227.13	0		1227.13	121.26		42.42	163.69	1063.44	1105.87
8	Plant & Machinery	25	1883.70	1521.19		3404.89	357.57		85.78	443.35	2961.54	1526.13
9	Laboratory Equipment	10	1.50	0		1.50	1.30		0.05	1.34	0.16	0.21
10	Furniture & Fixtures	10	0.17	0		0.17	0		0.00	0.04	0.12	0.12
11	Office Equipment	5	5.73	0		5.98	3.71		0.35	4.06	1.92	2.02
12	Vehicles	10	58.77	7.42		66.19	42.12		4.82	46.94	19.25	16.65
13	Softwate & Licenses	3	0.01	0		0.01	0		0.00	0.00	0.01	0.01
			3371.92	**1529.67**	**0**	**4901.60**	**611.59**	**0**	**143.92**	**755.51**	**4146.09**	**2760.34**

Sr. NO.	Name of Assets	Useful Life	GROSS BLOCK				Depreciation				Net Block	
POWER DIVISION			Deemed Cost As on 31/3/24	Addition	Deduction	As on 31/3/25	As on 31/3/24	Accum Dep. On Assets sold	For the year	As on 31/3/25	As on 31/03/25	As on 31/03/24
	Power Division											
1	Land & Site Devp.	0	11.23			11	0	0	0	0	11.23	11.23
10	Furniture & Fixures	10	0.45			0.45	0	0	0	-	0.45	0.45
11	Kiosk Unit	15	1.77			1.77	0	0	0	-	1.77	1.77
	Total		13.45	0.00	0	13.45	0	0	0	-	13.45	13.45
	Grand Total		3,385.38	1529.67	0	4,915.05	611.59	0	143.92	755.51	4159.54	2773.79

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 3: CAPITAL WORK IN PROGRESS		
Opening balance	**0.00**	0.00
Add: Additions during the year	**531.60**	1518.59
Less:-Capitlised during the year	**0.00**	1518.59
Closing balance	**531.60**	0.00
NOTE 4: NON-CURRENT FINANCIAL ASSETS		
Note 4 (a). Non-current Investment		
1500 Equity shares of Rs. 10/- each of National General Industries Ltd.	**0.23**	0.23
900 equity shares of Rs.10 /- each of M/s. Scan Projects Limited (Formerly knowm as Ambala Cement Ltd)	**0.09**	0.09
Total 4(a)	**0.32**	0.32
Note 4(b): Long Term Loans and Advances		
Sundry Deposits (Pune Mumbai Court)	**0.23**	0.23
M.S.E.D.C.L. Deposits (Lift Scheme)	**0.61**	0.42
M.S.E.D.C.L. Deposits (HT Connection)	**78.35**	72.69
Telephone Deposits	**0.25**	0.25
Imprest	**0.25**	46.54
TDS Receivable	**1.73**	14.60
Prepaid Factory Licence Fee	**0.00**	0.68
Indian Infoline Commodities Ltd	**0.09**	0.09
Staff Advance	**0.13**	0.00
Prepaid mpcb Fee	**2.77**	3.69
Chandra Trading & Investment Pvt.Ltd	207.71	0.00
Kay Bouvet Heavy Engineering Ltd	74.25	0.00
Satara Engineering Projects & Equipment Pvt Ltd	64.2	0.00
Chandra Trading and Investment Private Limited	**1550.00**	0.00
Total 4 (b)	**1980.55**	139.19

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 5: OTHER NON CURRENT ASSETS		
Balances with scheduled bank in fixed deposits	**91.47**	91.03
Fixed Deposit as security for bank gaurantee for MPCB	**0.25**	0.25
Preliminiary Expenses Satara Arospace & Defnce Industiral Park Private Limited	**0.11**	0.03
Total (5)	**91.84**	91.30
NOTE 6: INVENTORIES		
Tools and spares (Valued at cost price)	**24.11**	27.33
Raw Material (Valued at cost price)	**60.25**	163.14
Finished goods (Valued at cost of production)	**57.32**	81.98
Oil And Lubricants	**0.27**	0.45
Total (6)	**141.95**	272.90
NOTE 7: CURRENT FINANCIAL ASSETS		
Note 7(a): Current Investment		
Accrued Income	**0.00**	0.00
Total 7 (a)	**0.00**	0.00
Note 7(b): Trade Receivable		
(Unsecured and considered goods)		
Outstanding over six months	**24.14**	24.14
Others	**474.20**	493.89
Total 7 (b)	**498.34**	518.03
Note 7(c): Cash and Bank Balances		
Cash in hand	**0.12**	1.41
Balances with bank	**28.83**	14.02
Subsidiary company cash ans bank balance	**0.19**	10.02
Total 7(c)	**29.14**	25.45

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 8: SHORT TERM LOANS AND ADVANCES		
Balances with statutory / public authoritiesadvance recoverable in cash or in kind or for value to be recoverable	**0.00**	0.00
Total (8)	**0.00**	0.00
NOTE 9: OTHER CURRENT ASSETS		
Other Current Asset	**142.97**	105.17
Chandra Trading and Investment Pvt Ltd Land Purchase	**921.00**	921.00
Total (9)	**1063.97**	1026.17
NOTE 10: SHARE CAPITAL		
AUTHORISED, ISSUED AND PAID-UP		
3,70,00,000 equity share of Rs.10/- each	3700.00	3700.00
	0.00	0.00
Issued, subscribed and fully paid up shares 10640000 equity shares of Rs. 10 /- each +11450000 SHARES @ RS.10/- EACH +12850000 @ Rs.10 each	**3494.00**	2209.00
Total (10)	**3494.00**	2209.00

Movements in equity share capital	**No. of Shares**	No. of Shares
As at 1st April, 2025	**220.90**	106.40
Share issued during the year	**128.50**	114.50
As at 31st March, 2026	**349.40**	220.90

a. Terms /rights attached to equity shares.

The company has only one class of equity shares at par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferantial amount. the distribution will be in proporation to the number of equity shares held by the shareholders.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

b. Details of Shareholders holding more than 5% shares in the company (Equity shares of Rs. 10/- Fully paid)

Sr. No.	Name of Shareholders	31st March 2026 No. of Shares Held	31st March 2026 % of Holding	31st March 2025 No. of Shares Held	31st March 2025 % of Holding
1.	Mr.Niraj Chandra	1958600	5.61%	1958600	8.87%
2.	Mrs.Deepa Agarwal	2286800	6.54%	2286800	10.35%
3.	M/s Chandra Trading & Investment Pvt Ltd	5767646	16.51%	2767646	12.53%
4.	M/s Kay Nitroxygen Pvt Ltd	7300000	20.89%	2650000	12.00%

NOTE 11: OTHER EQUITY

Securities Premium Account* (a)	**4886.87**	2304.02
Money Received Against Share Warrants	**0.00**	1087.36
Warrants Forfited	**120.40**	0.00
Special capital incentive of Govt.of Maharashtra (b)	**50.00**	50.00
Accumulated Profit/(Loss)	**0.00**	0.00
Balance as per last balance sheet	**-657.38**	-769.9
Profit as per statement of Profit and loss	**101.02**	112.52
Total Accumulated Profit/(Loss) (c)	**-556.36**	-657.37
Total Other Equity (a+b+c+) (11)	**4500.91**	2784.01

*Securities Premium Reserve is premium on issue of shares. The reserve is utilised in accordance with the Provisions of the companies act 2013

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 12: NON-CURRENT FINANCIAL LIABILITIES		
Note 12(a):. Long Term Borrowings		
Secured Loan	**0**	0
Vehical Loan - HDFC Bank	**7.78**	8.77
Sub-Total	**7.78**	8.77
Unsecured Loan		
Intercorporate Deposits (The terms of repayment of these deposits are not defined) + share application money	**9.60**	75.00
Diferred liability for sales tax (Maharashtra sales tax department has granted facility of differal of sales tax liability under package scheme of incentive)	**0.00**	0.00
Sub-Total	**9.60**	75.00
Total 12 (a)	**17.38**	83.77
Note 12(b) : Other financial liabilities		
Other financial liabilities	**0.00**	0.00
Total 12(b)	**0.00**	0.00

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 13: CURRENT FINANCIAL LAIBILITIES		
Note 13(a): Short term borrowings		
SWIFT DIZER	**0.00**	0.00
Total 13(a)	**0.00**	0.00
Note 13(b) : Trade Payables		
Due to Micro, Small and medium Enterprises*		
Others	**259.32**	1144.16
Total 13(b)	**259.32**	1144.16

* In absence of any information from the vendors with regard to their registration under the micro, small and medium Enterprise Development act 2006, unable to determine, but the payments are released within credit extended by the vendors and there is no liability towards interest on delayed payments during the year under the said act. There is also no amount of outstanding interest in this regard brought forward from previous year

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 14: OTHER CURRENT LIABILITIES		
Salary Payables	**3.07**	3.20
Wages Payables	**5.40**	5.95
TDS Constractors Payable & TCS on sale	**0.26**	0.93
Imprest Account \security deposit	**0.07**	0.02
Vat Payable/GST payable/rcm	**0.04**	0.04
Staff Advance	**0.00**	0.19
Total (14)	**8.84**	10.33

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 15: OTHER SHORT TERM PROVISIONS		
Income Tax Payable	**0.00**	0.00
Labour charges payables\meeting fees payable	**0.54**	0.42
Professional tax payables	**0.05**	0.07
Unpaid wages	**0.31**	0.35
Unpaid Salary	**0.11**	0.11
Employees PF Payables	**0.03**	0.04
Water charges payable	**0.56**	0.64
ESIC Payable	**0.00**	0.00
Total (15)	**1.59**	1.64
NOTE 16: REVENUE FROM OPERATION (GROSS)		
Kraft Paper	**1721.21**	3683.59
Firewood sale & other	**716.83**	360.00
Net Sales	**2438.04**	4043.59
Total (16)	**2438.04**	4043.59
NOTE 17:OTHER INCOME		
Foreign Exchange Rate Diff.	**1.87**	3.93
Account Written Off	**5.79**	183.41
Interest Received	**11.60**	10.84
IPS Subsidy Claim from Government	**27.47**	43.95
Insurance Claim Surplus	**7.95**	-
Total (17)	**54.68**	242.12
NOTE 18: COST OF MATERIAL CONSUMED		
Raw Material Consumed		
Opening Stock	**163.14**	84.45
Add. Purchases	**1314.35**	3054.89
Less. Closing Stock	**60.25**	163.14
Total (18)	**1417.24**	2976.21

	As at 31st March 2026	As at 31st March 2025
	(Amounts in Lacs)	(Amounts in Lacs)
NOTE 19: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK -IN - PROGRESS AND STOCK - IN - HAND		
Stock at opening		
Finished goods	**81.98**	63.09
Less. Stock at closing	**0.00**	0.00
Finished goods	**57.32**	81.98
Total (19)	**24.66**	-18.89
NOTE 20: EMPLOYEE BENEFIT EXPENSES		
Salary and wages	**141.61**	131.17
Welfare Expenses	**0.78**	0.72
Contribution to P.F.	**0.38**	0.43
ESI Contribution	**0.12**	0.17
Total (20)	**142.89**	132.50
NOTE 21: FINANCE COST		
Bank Charges / commission /Intrest	**0.16**	-0.99
Total (21)	**0.16**	-0.99
NOTE 22: OTHER EXPENSES		
Note 22(a) Manufacturing Expenses		
Carriage Inward	**8.84**	11.21
Power & Fuel	**295.19**	486.67
Repairs and Maintainance	**70.31**	71.14
Other Manufacturing Expenses	**104.12**	155.88
Total 22(a)	**478.47**	724.90

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
(b) Selling and Administrative Expenses		
CDSL Custodian Fees	**0.75**	0.45
Legal & Professional Fees	**3.99**	31.57
Packing & Forwarding	**0.00**	0.01
Directors Sitting Fees	**0.09**	0.18
Factory Licence Fees	**0.68**	0.68
Boiler Inspection Fees	**0.05**	0.05
BSE Listing Fees	**3.25**	3.25
Audit Fees	**1.00**	1.00
Membership & Subscription	**0.03**	0.38
MPCB Cess / Testing Fees	**0.92**	1.42
Professional tax - company	**0.03**	0.03
Printing & Stationary	**1.88**	2.13
Postage & Telephone Expenses	**0.21**	0.66
Insurance	**4.04**	3.93
Rent, Rates & Taxes	**3.22**	4.04
Dealer Discount	**53.08**	124.44
Vehicle Repairs & Maintainance	**6.53**	10.29
Kraft Paper Loading charges	**16.86**	16.45
Advertisement Charges	**0.07**	0.39
Local Conveyance	**1.41**	0.73
Travelling Expenses	**1.52**	1.16
Miscellaneous Office Expenses	**10.05**	1.98
Drinking Water Charges	**0.82**	0.66
Professional tax - Directors	**0.03**	0.03
Water Charges	**16.82**	9.63
Total 22(b)	**127.32**	215.55
Total 22(a)+22(b)	**605.79**	940.45

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

	As at 31st March 2026 (Amounts in Lacs)	As at 31st March 2025 (Amounts in Lacs)
NOTE 23: EXCEPTIONAL ITEM		
Total (23)	**0.00**	0.00

NOTE 24: Contingent Liabilities: #

Guarantee executed in favour of customs for EPCG has been expired and unascertained duty for unfulfilled export obligation is outstanding.

NOTE 25: Net deferred tax has not been recognised in view of uncertainty about future taxable income against asset which the deferred tax asset can be realised.

NOTE 26: C.I.F. value of imported wastepaper

C.I.F. value of imported wastepaper for 25-26 Rs.2077343.13/- (USD -23026.71) - FOR 24-25 Rs. 46,50,876.57/- (USD -53359.3 $)

NOTE 27: : Operating Segment:

Operating Segment: The company is engaged in the business of manufacturing of Kraft Paper and therefore, has only one reportable segment in accordance with IndAS 108 Operating Segments.

Note 28: Government Grants:

Government Grants: The company received IPS subsidy claim from Government of Maharashtra of Rs.27.47 Lakhs. The claim of Rs.27.47 Lakhs is sanctioned by Government but not received till the end of the year.

There are no unfulfilled conditions and other contingencies attached to government subsidy that has been recognized in the financial statements.

The subsidy received is of revenue nature sanctioned against state GST payment and treated as revenue income by the company and shown as other income in the Profit and Loss Account.

NOTE 29:- Loss of Stock and Assets due to Fire

During the year, a fire occurred at the Company's plant situated at Borgaon on 10/03/2026 resulting in destruction of certain items of inventory and plant and equipment. Based on physical verification and assessment carried out, the loss has been determined as under:

Particulars	**Rs. in lakhs**
Loss of inventory	63.32
Loss of plant and equipment (net block as per books)	15.00
Total loss due to fire	**78.32**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

The Company had taken insurance cover for the aforesaid assets and has lodged a claim of Rs.86.27 lakhs which includes claim of Rs.63.32 Lakhs for loss of inventory and claim of Rs. 22.95 Lakhs for value of loss of equipment with the insurer. The insurer has acknowledged the claim, though the claim remains unsettled as at the balance sheet date. Having regard to the insurer's acknowledgement of the claim and the Company's assessment of the terms of the policy, the management is of the view that recovery of the claim is virtually certain. Accordingly, in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets," insurance claim receivable amounting to Rs.86.27 lakhs has been recognised in the books and credited to the Statement of Profit and Loss.

The resultant net surplus of Rs.7.95 lakhs (being claim recognised as recoverable net of total loss due to fire) has been disclosed as an other income in the Statement of Profit and Loss for the year.

The claim recoverable of Rs.86.27 lakhs is included under Other Current Assets in the Balance Sheet as at 31/03/2026. Any difference between the amount recognised and the amount finally settled by the insurer will be recognised in the Statement of Profit and Loss in the year of final settlement.

NOTE 30:- Additional Regulatory and other information as required by the Schedule III of the Companies Act 2013

Note 30 (i) : There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1998 (45 of 1998) and rules made thereunder.

Note 30(ii) : The company has not been sanctioned working capital limit in excess of five crore rupees in aggregate from banks of financial institutions on the basis of security of current assets.

Note 30 (iii) : The company did not have any transactions with Companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 considering the information available with the company.

Note 30 (iv) : The company do have any parent company and accordingly, compliance with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017 is not applicable for the year under audit.

Note 30 (v) Key Financial Ratios

Rs. In Lakhs

Particulars	**Unit of Measurement**	**March 31, 2026**	March 31, 2025	**Variation in %**
Current Ratio	In multiples	3.01	0.78	281.89%
Debt Equity Ratio	In multiples	0.002	0.017	-87.04%
Return of Equity Ratio	In %	1.56%	4.21%	-63.09%
Inventory Turnover Ratio	In days	31.05	20.34	26.06%
Trade receivables Turnover Ratio	In days	76.09	36.60	107.90%
Trade Payables Turnover Ratio	In days	180.73	96.13	88.01%
Net Profit Ratio	In %	4.14%	2.78%	48.89%
Return on Capital Employed	In %	1.55%	2.74%	-43.53%
Return on Investment	In %	1.39%	2.31%	-39.75%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

Formula adopted for above ratios

Current Ratio = Current Assets/(Total Current Liabilities- Security Deposits payable on Demand- Current Liabilities of Long Term Debt)

Debt Equity Ratio = Total Debt/ Total Equity

Return of Equity Ratio= Total Comprehensive Income/ Average Total Equity

Inventory Turnover Ratio= 365/(Net Revenue/Average Inventories)

Trade Receivables Turnover Ratio= 365/(Net Revenue/Average Trade Receivables)

Trade Payables Turnover Ratio= 365/(Purchase/Average Trade Payables)

Net Profit Ratio = Net Profit/ Net Revenue

Return on Capital Employed = (Total Comprehensive Income + Interest)/ (Average of Equity + Debt)

Return on Investment = Total Comprehensive Income/ Average Total Assets

Reasons for variation if more than 25%

- Current Ratio :- The current ratio is improved in the year under consideration due to substantial decrease in Trade Payables.

- Debt Equity Ratio :- Debt Equity ratio is improved in the year under consideration due to increase in equity on account of internal accruals and addition to paid up share capital and decrease in outside debts.

- Return of Equity Ratio :- Return on equity ratio is decreased due to increase in equity on account of internal accruals and addition to paid up share capital.

- Inventory Turnover Ratio : - Inventory Turnover Ratio is increased as the sale during the year is decreased substantially.

- Trade Receivables Turnover Ratio :- Trade Receivable turnover ration is increased during the year as the sale is substantially decreased during the year while amount of trade receivable is also increased.

- Trade Payables Turnover Ratio : - Trade payable ratio is increased during the year as the amount of purchases were lower while amount of trade payable is increased.

- Net Profit Ratio :- Net Profit Ratio is increased during the year as the amount as the company earned higher gross margin on sale and earned good profit on lower amount of sale.

- Return of Equity Ratio :- The return on equity ratio decreased due to increase in equity due to plough back of profit and addition to paid up equity share capital.

-Return on Investment :- Return of investment ration is decreased during the years because the amount of total assets is increased during the year.

Note 30 (vi): There is no scheme of arrangement approved by Competent Authority in terms of section 230 to 237 of the Companies Act 2013 during the year

Note 31(vii) : The company has not advanced or loaned of invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) of entity(ies), including foreign entities

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

(Intermediaries) with the understanding (whether recorded in writing of otherwise) that the intermediary shall (i) directly of indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

The company has also not received any funds from any other person(s) of entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing of otherwise) that the company shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

Note : 30(viii) : The Company does not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the Tax Assessment under the Income Tax Act, 1961 during any of the years.

Note : 30 (ix) The company uses an accounting software for maintaining its books of account which has feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with at any time during the year. The audit trail has been preserved by the company as per the statutory requirements for record retention.

Note No. 30. : Fair value measurement of financial Instruments

Financial Instruments by category: - In lakhs

Particulars	**31st March, 2026**			31st March, 2025		
	FVTPL	**FVOCI**	**Amortized Cost**	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investment						
Equity Instruments	**0.32**			0.32		
Trade receivables			**498.34**			518.03
Cash and cash equivalents			**29.14**			25.45
Other bank balances			**91.84**			91.30
Derivative Financial assets			**0.00**			0.00
Security deposits			**0.00**			0.00
Loans			**1980.55**			139.19
Others			**1063.97**			1026.17
Total Financial assets	**0.32**		**3663.84**	**0.32**		1800.14
Financial liabilities			**0.00**			0.00
Borrowings			**17.38**			83.77
Public Deposits			**0.00**			0.00
Deferral Sales Tax			**0.00**			0.00
Trade payables			**259.32**			1144.16
Capital creditors			**0.00**			0.00
Security deposits taken			**0.00**			0.00
Other Financial liabilities			**10.44**			11.97
Total Financial liabilities			**287.14**			**1239.9**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

i) This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

The following table provides the fair value measurement hierarchy of the company's financial assets and liabilities that are measured at fair value or where the fair value disclosure is required.

Financial Assets and Liabilities measured at fair value - recurring fair value measurement at 31st March, 2026	Notes	Level 1	Level 2	Level 3	total
Financial Assets					
Financial Investment at FVPL					
Equity Instruments				0.32	0.32
Total Financial Assets				0.32	0.32
Financial Liabilities		0	0	0	0
Total Financial Liability		**0**	**0**	**0**	**0**

Financial Assets and Liabilities measured at fair value - recurring fair value measurement at 31st March, 2025	Notes	Level 1	Level 2	Level 3	total
Financial Assets					
Financial Investment at FVPL					
Equity Instruments				0.32	0.32
Total Financial Assets				0.32	0.32
Financial Liabilities		0	0	0	0
Total Financial Liability		**0**	**0**	**0**	**0**

Level- 3 If one or more of the significant is no based on observable data. The instrument is included in level three. This is the case for unlisted equity securities.

(ii) Valuation technique used to determine fair value

The following methods and assumptions were used to estimate the fair value of the level 3 financial instruments included in the above tables:

The investment in unquoted equity instrument represents investment in equity shares of Ambala Cements Ltd and National General Industries Ltd. The fair value arrived at is after taking into account the relevant financial indicators of the respective companies.

(iii) As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-

1. Trade receivables

2. Cash and cash equivalent
3. Other bank balances
4. Security deposits
5. Borrowings
6. Trade payables
7. Employee dues
8. Other payables

NOTE 30(i): FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

a. MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations and arises principally from the company's receivables from customers

i) Trade receivables:-

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 498.34 lakhs and Rs. 518.03 lakhs as of 31st March 2026 and 31st March 2025, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The company have stop supply mechanism in place in case outstanding goes beyond agreed limits. Based on prior experience and an assessment of the current economic environment, management believes there is no further credit risk provision required.

i a. Ageing Analysis of Trade Receivables Rs. In Lakhs

Particulars	**31/03/2026**	31/03/2025
More Than 6 months	**24.14**	24.14
Others	**474.20**	493.89

ib. Other financial assets:-

Credit risk on cash and cash equivalents is limited as the company generally invests in deposits with banks and financial institutions with good reputation. The Company's maximum exposure to credit risk is the carrying value of each class of financial assets.

b. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses or risking damage to company's reputation. In doing this, management considers both normal and stressed conditions. Management monitors the rolling forecast of the company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The company has access to funds from debt markets through loan from banks. The company invests its surplus funds in bank deposits.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	Contractual Cash Flows As on 31/03/2026 Rs. In Lakhs				
Financial Liabilities	**Carrying Value**	**Total**	**Within 12 months**	**1-5 Years**	**More than 5 Years**
Non- Current					
Borrowings	17.38	17.38		17.38	
Other Financial Liabilities	0	0		0	
Current					
Short Term Borrowings	0	0	0		
Trade Payables	259.32	259.32	259.32		
Other Current Liabilities	8.84	8.84	8.84		

Particulars	Contractual Cash Flows As on 31/03/2025 Rs. In Lakhs				
Financial Liabilities	**Carrying Value**	**Total**	**Within 12 months**	**1-5 Years**	**More than 5 Years**
Non- Current					
Borrowings	83.77	83.77		83.77	
Other Financial Liabilities	0	0		0	
Current					
Short Term Borrowings	0	0	0		
Trade Payables	1144.16	1144.16	1144.16		
Other Current Liabilities	11.97	11.97	11.97		

* Borrowing includes Inter-Corporate deposits. Repayment period of ICDs is not stipulated but it is assumed that they will be repaid over a period of five years.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

c. MANAGEMENT OF MARKET RISK:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of fluctuation in market prices. These comprise three types of risk i.e. currency rate, interest rate and other price related risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Regular interaction with bankers, intermediaries and the market participants help us to mitigate such risk.

i) Foreign currency risk

The company makes payment in foreign currency for material imported. The transactions in foreign currency constitute very small proportion of total transaction. Hence, foreign exchange risk is not material market risk to the Company. During the period under audit or in comparative period presented the company has not made any derivative financial instruments related transaction to cover foreign exchange risk or otherwise.

The company did not have any unhedged foreign currency exposure as on 31/03/2026 or any other earlier two preceding years..

ii) Interest rate risk exposure

Interest rate risk is the risk that the fair value or future cash flows on a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the company's interest rate position. Various variables are considered by the management in structuring the company's investment to achieve a reasonable competitive cost of funding. Only interest bearing loan outstanding is small amount of loan against vehicle bearing fixed interest. The company has not borrowed any other funds bearing interest.

NOTE 30 (ii): CAPITAL MANAGEMENT

(a) Risk management

The Company's capital comprises equity share capital, share premium, retained earnings attributable to equity holders.

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

The company had incurred heavy loss in past resulting in complete erosion of its net worth. Net worth has turned positive from year ended on 31/03/2018. But the company is not yet in position to pay dividend to share holder.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

Note No. 31

Amount in Lacs

Item Name	OPENING STOCK		PURCHASES		TOTAL		CONSUMPTION		CLOSING STOCK	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
Bagasse	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(0.01)	(23.01)	(0.01)	(18.88)	(0.17)	(41.89)	(0.02)	(41.89)	0.00	0.00
Firewood	0.01	26.24	0.04	137.64	0.05	163.88	0.04	139.26	0.01	24.62
	(0.01)	(42.35)	(0.15)	(298.98)	(0.16)	(341.33)	(0.15)	(315.08)	(0.01)	(26.24)
cashew cake oil	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	(0.00)	(2.31)	(0.00)	(2.31)	(0.00)	(2.31)	0.00	0.00
coal	0.00	0.00	0.00	8.78	0.00	8.78	0.00	8.78	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Indian Waste Paper	0.00	72.73	0.07	1086.69	0.07	1159.43	0.07	1156.38	0.00	3.05
	(0.00)	(9.04)	(0.14)	(2536.62)	(0.14)	(2545.66)	(0.14)	(2472.93)	(0.00)	(72.73)
Imported Waste Paper	0.00	57.75	0.00	7.91	0.00	65.66	0.00	40.45	0.00	25.21
	(0.00)	(28.06)	(0.00)	(61.25)	(0.00)	(89.31)	(0.00)	(31.56)	(0.00)	(57.75)
Chemicals	0.00	5.29	0.00	49.41	0.00	54.71	0.00	49.72	0.00	4.99
	0.00	(4.88)	0.00	(106.94)	0.00	(111.82)	0.00	(106.52)	0.00	(5.29)
Packing Material	0.00	1.11	0.00	23.91	0.00	25.03	0.00	22.64	0.00	2.39
	0.00	(0.12)	0.00	(51.10)	0.00	(51.22)	0.00	(50.11)	0.00	(1.11)

Note 32: Related Party Disclosure:

List of the parties with whom transactions have taken place during the year. -

A. List of Directors of Kay Power and Paper Limited

1	Mr. Niraj Chandra	Chairman & Managing Director
2	Mrs. Deepa Agarwal	Non- Executive Non- Independent Director
3	Mr. Arvind Vinayak Kulkarni	Non- Executive Independent Director
4	Mr. Anilkumar Govid Bidkar	Non- Executive Independent Director
5	Mr. Satish Laxman Pharande	Non- Executive Independent Director

B. List of Key Managerial Personnel of Kay Power and Paper Limited

1	Mr. Niraj Chandra	Chairman & Managing Director
2	Mr. Sagar Mohite	Company Secretary & Compliance Officer
3	Mrs. Snehal Hemant Mohite,	Chief Financial Officer

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

. Entities where control/ significant influence by KMPs and their Relatives exists and with whom transactions have taken place.

1	Kay Bouvet Engineering Limited
2	Kay Nitroxygen Private Limited
3	Kay Chandra Iron Engineering works Pvt Ltd
4	Kay Inns Pvt Ltd
5	Kay Inns & Investment Private Limited
6	Satara Engineering Products & Equipment Ltd
7	Chandra Trading & Investment Pvt Ltd
8	Satara Aerospace and Defence Industrial Park Private Limited (Wholly Owned Sub sidiary Company)

D. Relatives of Directors and Key Management Personnel, where transactions have taken place:

1 Mrs. Aditi Chandra

1) Details of Related Party Transactions are as follows: - (Rs. in Lacs)

A. Remuneration to Directors & KMP

	Remuneration to Directors & KMP	**Financial Year**	
		2025-26	2024-25
1	Mr. Arvind V. Kulkarni - Independent Director	**3.00**	3.00
2	Mr. Sandip Shahpurkar - Independent Director (Sitting Fees+ Reimbursement Exp)	**0.00**	0.08
3	Mr. K N Wadikar - Independent Director (Sitting Fees+ Reimbursement Exp)	**0.00**	008
4	Mr. Satish L Pharande- Independent Director (Sitting Fees+ Reimbursement Exp)	**0.12**	0.05
5	Mr. Sagar Mohite, Company Secretary & Compliance Officer	**8.98**	8.76
6	Mrs. Snehal Hemant Mohite, Chief Financial Officer	**3.03**	2.80

B. Purchase of Material and Services Received

(Rs. in Lacs)

Sr No.	Name of the related party	01/04/2025 to 31/03/2026					01/04/2024 to 31/03/2025				
		Opening Balance as on 01/04/2025	Material Purchase	Services Received	Payment Made	Outstanding Bal as on 31/03/2026	Opening Balance as on 01/04/2024	Material Purchase	Services Received	Payment Made	Outstanding Bal as on 31/03/2025
1	Kay Bouvet Engineering Limited-Regular Purchase Transactions	0.00	14.11	0	11.00	3.11	12.57	7.45	0	20.01	0.00
	Kay Bouvet Engineering Limited-capital goods Purchase Transactions	-24.16	7.56	0	0	-16.60	28.47	0	0	52.63	-24.16
2	Kay Nitroygen Private Limited	0.69	0.85	0	0	1.54	0	0.69	0	0	0.69
3	Chandra Trading & Investment Pvt Ltd.	0	0.43	0	0	0.43	0	0	0	0	0
4	Satara engineering products & equipment ltd (capital goods)	696.44	606.93	0	1446.52	-143.15	0	1736.43	0	1039.99	696.44

C. (a) Unsecured Loan Taken

(Rs. in Lacs)

Sr. No.	Name of the related party	01/04/2025 to 31/03/2026				01/04/2024 to 31/03/2025			
		Opening Bal as on 01/04/2025	Received	Pay-ment	Outstanding Bal as on 31/03/2026	Opening Bal as on 01/04/2024	Received	Payment	Outstanding Bal as on 31/03/2025
1	Kay Inns and Invest-ment Pvt. Ltd	71.00	0.00	71.00	0.00	307.00	0.00	236.00	71.00
2	Kay Inns Pvt Ltd	0.00	0.00	0.00	0.00	50.00	0.00	50.00	0.00
3	Kay Nitroxygen (P) Ltd	0.00	0.00	0.00	0.00	744.00	0.00	744.00	0.00
4	Mrs. Aditi Chandra	4.00	0.00	0.00	4.00	4.00	0.00	0.00	4.00
5	Kay Chandra Iron En-gineering Works Ltd	0.00	0.00	0.00	0.00	165.00	0.00	165.00	0.00
6	Shushil Chandra HUF	0.00	11.20	5.60	5.60	60.00	0	60.00	0.00

C. (b) Unsecured Loan given

(Rs. in Lacs)

S Sr. No.	Name of the related party	01/04/2025 to 31/03/2026				01/04/2024 to 31/03/2025			
		Opening Bal as on 01/04/2025	Received	Pay-ment	Outstanding Bal as on 31/03/2026	Opening Bal as on 01/04/2024	Received	Payment	Outstanding Bal as on 31/03/2025
1	Chandra Trading & Investment Pvt Ltd	0.00	682.25	889.95	207.70	1244.28	0.00	1244.28	0.00
2	Satara engineering products & equipment ltd	0.00	135.80	200.00	64.20	14.00	24.00	10.00	0.00
3	Chandra Trading and Investment Pvt Ltd(Advance again purchase of land)	921.00	0	0	921.00	0	0	921.00	921.00
4.	Kay Bouvet Heavy Engineering Ltd.	0	199.00	273.25	74.25	0	0	0	0
5	Chandra Trading and Investment Pvt Ltd	0	1550.00	0	1550.00	0	0	0	0

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

D) OUTSTANDING BALANCE AS ON 31.03.2026: (RS. IN LACS)

A) Key Management Personnel - NIL

Following are the outstanding balances receivable as on 31.03.2026 . Details of transactions with these companies are mentioned in above table of Unsecured Loans

Sr. No.	Name of the related party	**Balance as on 31/03/2026**	Balance as on 31/03/2025
1.	Chandra Trading & Investment Pvt Ltd	**207.70**	0
2.	Kay Bouvet Heavy Engineering Ltd.	**74.25**	0
3.	Satara engineering products & equipment ltd	**64.20**	0
4.	Chandra Trading and Investment Pvt Ltd	**2461.30**	921.05

(*Amount of Rs. 921.00 against Purchase of Land and Amount of Rs. 1550.00 against Loans and advances)

NOTE 33: Payment to Statuary Auditors

Particulars	**2025-26**	2024-25
For Audit Fees	1.00	1.00

NOTE 34: the previous year figures have been re-grouped/ re-classified to confirm to current year classification

NOTE: - Figures in bracket pertain to previous year or reverse impact

The accompanying notes are an integral part of the financial statements

As per our report of even date

For For, Ankush Shinde & Company
Chartered Accountants

Ankush Shinde
Proprietor
(M. No. 187866)
UDIN NO. 26187866UMLVUX4373

Place : Satara
Date : 28th May, 2026

For and on behalf of the Board of Directors

Niraj Chandra
Chairman and
Managing Director
DIN: - 00452637

Deepa Agarwal
Director
DIN: 00452947

Snehal Mohite
Chief Financial Officer
PAN - AVOPJ4997N

Sagar Mohite
Company Secretary
M. No. F11632

Place : Satara
Date : 28th May, 2026

KAY POWER AND PAPER LIMITED
CIN- L21099MH1991PLC061709
Registered Office: - Gat No. 454/457, A/P – Borgaon, Tal Dist – Satara- 415519

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Members :- Registered Address :-		Email ID :- Folio No./Client ID :- DP ID :-	

I/We, being the member (s) of ……..... shares of the above-named company, hereby appoint

1.	2.	3.
Name :-	Name :-	Name :-
Address:-	Address:-	Address:-
Email ID :-	Email ID :-	Email ID :-
or failing him	or failing him	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Fifth Annual General Meeting, to be held on Monday, 21st September 2026 At 3.00 p.m. at Registered Office of the company at Gat No. 454/457, A/P –

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

Sr.	Resolutions	For	Against
1.	To consider and adopt the Standalone Audited Financial Statements for the year ended 31st March 2026 including the Reports of the Directors and Auditors thereon.(Ordinary Resolution)		
2.	To consider and adopt the Consolidated Audited Financial Statements for the year ended 31st March 2026 including the Reports of the Directors and Auditors thereon. (Ordinary Resolution)		
3.	To appoint M/s. Ankush Shinde & Company, Chartered Accountants, Satara, as the Statutory Auditors of the Company for a term of five consecutive years and to authorize the Board of Directors and/or the Audit Committee to fix their remuneration. (Ordinary Resolution)		
4.	Appointment of Mrs. Deepa Agarwal as Managing Director of the Company (Special Resolution)		
5.	Appointment of Ms. Aarushi Chandra (DIN: 07274662) as a Director (Non-Executive Non-Independent) of the Company (Ordinary Resolution)		
6.	Approval under Section 180 (1) (a) of the Companies Act, 2013 to transfer of the Company's immovable property/ies (land) to wholly owned subsidiary (Special Resolution)		
7.	Approval for Material Related Party Transactions pertaining to Subsidiary of the Company (Ordinary Resolution)		

Affix Revenue Stamp

Signed this…… day of…… 2026

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

2. A Proxy need not be a member of the Company.

3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. ** This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

KAY POWER AND PAPER LIMITED

Regd. Office:- Gat No. 454/457, A/P – Borgaon, Tal Dist – Satara- 415519
CIN- L21099MH1991PLC061709

ATTENDANCE SLIP

To be handed over at the Meeting Hall

Name of the attending Member (in Block Letters)	Member's Ledgers Folio/ D.P. ID & Clint ID
Name of the Proxy (in Block Letters) (To be filled in if the proxy attending instead of the Members)	

No. of shares Held :-

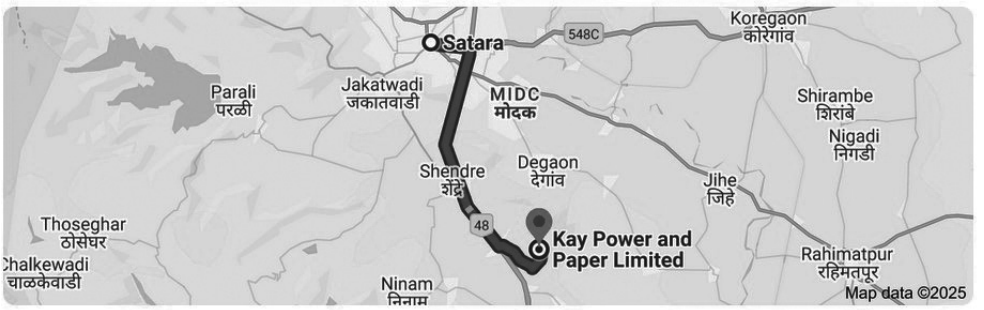
I hereby record my presence at the THIRTY FIFTH ANNUAL GENERAL MEETING of the Company to be held at Registered office at Gat No. 454/457, A/P – Borgaon, Tal Dist – Satara- 415 519 at 3.00 p.m. on Monday, 21st September 2026.

Member's/ Proxy's Signature

MAP of venue of the 35th Annual General Meeting held on Monday, 21st September 2026

Satara, Maharashtra

Kay Power and Paper Limited, Gat No. 454/457, Satara, Borgaon, Maharashtra 415519



23 min (16.0 km) via NH 48

Directions

BOOK - POST

If undelivered, please return to :

KAY POWER AND PAPER LIMITED

Plot No. B-54, Old MIDC Area, Satara -415004

PRABODHI
9881062744