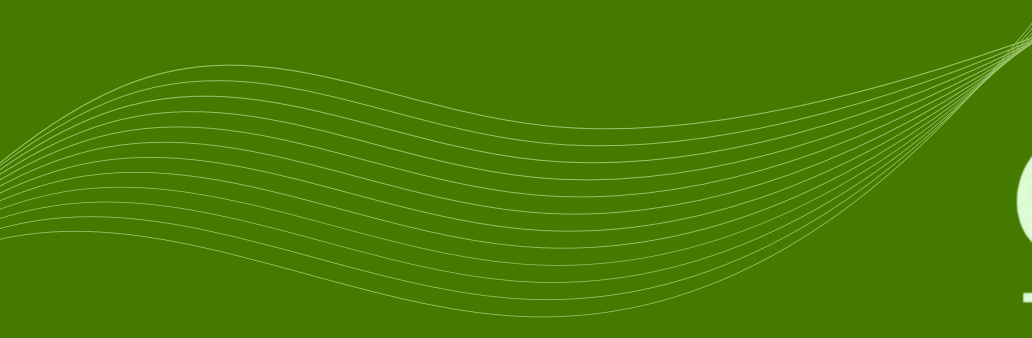




Clara

INDUSTRIES LIMITED

*Bring Brightness To Your Life*

# ANNUAL REPORT

*Our journey of growth, innovation and impact.*

2024-25



[www.clara.co.in](http://www.clara.co.in)

# MESSAGE FROM THE MANAGING DIRECTOR

Dear Shareholders,

It is with immense pride, humility, and gratitude that I share with you the Fourth Annual Report of Clara Industries Limited for the financial year 2024-25. Each annual report is more than just a collection of numbers and achievements – it is a story of people, perseverance, and progress. For me personally, this letter is a chance to pause, reflect, and connect with you on the journey we are building together.

The year 2024-25 brought with it its own set of challenges and lessons. Global headwinds, fluctuations in raw material prices, and a demanding business environment tested the resilience of many industries, including ours. While these circumstances did create short-term hurdles, they also provided us with opportunities to pause, reflect, and reimagine how Clara Industries could continue building strength for the long term. Rather than chasing temporary gains, we chose steadiness over speed, clarity over confusion, and purpose over pressure. This choice was not

always easy, but it was the right one for sustaining future growth.

What gave me the greatest sense of pride this year was not just how we navigated these challenges, but how we did so with calm resolve and integrity. Every decision was guided by our core values – honesty, responsibility, and innovation. Our people stood united, our stakeholders remained supportive, and our customers reaffirmed their trust in us. Together, we showed that Clara Industries is not just a company, but a collective spirit.

One of the defining strengths of Clara Industries is the spirit of our employees. In countless instances this year, I witnessed ordinary people doing extraordinary things – teams working late into the night to ensure timely deliveries, managers stepping in personally to support their colleagues, and individuals going beyond their defined roles simply because they believed in the larger purpose of the Company. These moments reaffirm my belief that the true capital of Clara is not just financial, but human.

In moments of reflection, I often remind myself that true leadership is tested not in times of plenty, but in times of pressure. This year was a reminder of that truth. And while growth numbers were more modest compared to our previous record highs, what we built was equally important – stronger foundations, sharper focus, and deeper resilience. These are the invisible gains that do not show up on a balance sheet immediately, but they set the stage for the future we are determined to create.



One of the areas closest to my heart is sustainability. As an organisation that deals with packaging, we understand the responsibility we carry. Each innovation we pursue, each process we refine, is guided by our belief that progress must not come at the cost of our planet. This year, we took meaningful steps towards eco-conscious packaging, reducing waste, and exploring alternatives that align with India's evolving environmental goals. These steps may be small in the larger picture, but every small step, when taken consistently, creates ripples of change.

Another area where we made quiet but significant progress was digital transformation. By adopting smarter technologies across our operations, from supply chain monitoring to customer engagement, we have laid the foundation for greater efficiency and transparency. These efforts are not just about keeping pace with industry trends, but about creating a future-ready organisation that can anticipate change rather than react to it.

Equally important is our contribution to the communities around us. Through our CSR initiatives, we strengthened our focus on education, healthcare, and environmental awareness. I have personally witnessed the impact of these efforts – a child stepping into school with new possibilities, an area gaining better healthcare facilities for the elderly, and families finding access to cleaner and healthier living conditions. These experiences remind us that the true measure of business success lies in how meaningfully it touches lives beyond our immediate stakeholders.

Looking ahead, the future excites me. The packaging industry is at the cusp of transformation. Consumer expectations

are changing, sustainability is becoming central, and technology is reshaping possibilities. At Clara Industries, we are not just preparing to adapt to these shifts – we are preparing to lead them. By investing in research, innovation, and most importantly, in our people, we are ensuring that Clara will continue to deliver solutions that are not only profitable but also purposeful.

As I write this letter, I am filled with gratitude. Gratitude to our employees, whose dedication makes every milestone possible. Gratitude to our partners and customers, whose trust fuels our determination. And gratitude to you, our shareholders, for walking this journey with us, through both highs and lows, with unwavering belief in our vision. Your trust is our greatest strength.

Clara Industries is still young in its journey, yet the spirit with which we move forward is timeless – a spirit of resilience, responsibility, and relentless optimism. The road ahead is long, but with your continued support, I am confident that we will not just travel far, but travel meaningfully.

Together, we will continue to write a story of growth that is not only measured in profits, but also in purpose.

Warm regards,  
Parry Kukreja  
Managing Director  
Clara Industries Limited

# MESSAGE FROM THE CHIEF FINANCIAL OFFICER

Dear Stakeholders,

It is my privilege to present the financial review and outlook for Clara Industries Limited for the fiscal year ended 31st March 2025. The year gone by has been a period of testing resilience, recalibrating strategies, and reinforcing financial discipline amidst an environment of persistent uncertainties. Businesses across the globe were compelled to adapt quickly, balancing immediate operational priorities with long-term growth imperatives. At Clara, we responded with agility and foresight, guided by a clear purpose of building a financially strong and future-ready organization.



During the year, we witnessed moderated topline performance, largely influenced by macroeconomic fluctuations, regional elections, and ongoing global inflationary pressures. Despite these headwinds, we were able to safeguard the health of our bottom line through rigorous cost management and efficiency measures. By

rationalising non-critical expenditure, streamlining procurement, and focusing on value-added operations, we ensured that margins remained resilient.

Our approach was centered on internal optimisation, driving higher productivity across our three units and enhancing supply chain responsiveness. These actions not only cushioned the impact of external pressures but also created a leaner cost structure that will support stronger operating leverage in subsequent periods.

A key highlight of the year has been the continued emphasis on prudent capital allocation. Despite a challenging operating environment, Clara Industries maintained a robust liquidity position, ensuring adequate headroom for strategic investments. Our debt profile reflects conservative financial management, with borrowings kept well within manageable levels. This financial discipline provides us with the flexibility to deploy capital judiciously when attractive opportunities arise, without compromising on balance sheet integrity.

Cash flow management remained a top priority, with significant improvements in working capital efficiency achieved through better receivables collection, inventory planning, and supplier engagement. These efforts helped strengthen our operational cash flows, enabling us to sustain essential investments in modernization and product innovation.





Throughout the year, we reinforced our focus on productivity improvements across the manufacturing footprint. Investments in advanced machinery, process automation, and digital monitoring systems have begun to yield tangible benefits in terms of reduced downtime, higher throughput, and consistent quality. At the same time, initiatives in energy optimization and waste minimisation contributed to lowering operating costs while furthering our sustainability objectives.

We also placed emphasis on enhancing the finance function's capabilities, with digital tools being deployed to improve forecasting accuracy, cost tracking, and scenario planning. This has allowed management to make timely and informed decisions, even in a volatile external environment.

Importantly, we did not compromise on our core commitment to sustainable operations and responsible financial conduct. We continue to evaluate strategic investments that strengthen our product portfolio while aligning with our Environmental, Social, and Governance (ESG) principles. The finance team has begun integrating ESG considerations into capital planning and risk assessments, ensuring that every financial decision aligns with the company's long-term sustainability roadmap.

Looking ahead, we expect a gradual normalization of demand in both consumer and industrial segments, supported by structural growth drivers such as e-commerce expansion, increased packaging demand, and government-led initiatives for manufacturing. While external volatility—particularly in raw material prices and currency movements—may continue, Clara Industries is well positioned to navigate these challenges.

Our financial strategy for the coming years is anchored on three interconnected pillars. The first is fiscal prudence, where we will continue to maintain tight control over costs, adopt disciplined borrowing practices, and ensure judicious deployment of capital. Alongside this, we are focused on growth enablement by channeling resources into capacity expansion, including the upcoming woven sack plant, while also diversifying into value-added packaging segments that promise long-term potential. Equally important is the integration of sustainability into every aspect of our financial and operational planning, embedding responsible practices that will strengthen resilience and position Clara Industries as a leader in sustainable growth.

I extend my heartfelt gratitude to our Board of Directors for their steady guidance, to the finance team for their dedication and precision, and to our employees whose everyday commitment forms the backbone of Clara's success. I also thank our valued stakeholders for their continued trust and belief in our vision.

As we step into the next fiscal year, we do so with cautious optimism, clear financial direction, and a reinforced determination to create long-term value for all stakeholders.

Sincerely,  
Nikhil Kukreja  
Chief Financial Officer  
Clara Industries Limited

# CLARA AT A GLANCE

A snapshot of our business verticals and the industries we serve.



## PACKAGING FILMS BUSINESS

Manufacturing high-performance films for flexible packaging across industries.



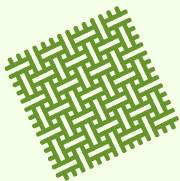
## RECYCLED GRANULES BUSINESS

Transforming plastic waste into high-quality recycled granules for reuse.



## FLEXIBLE PACKAGING BUSINESS

Providing customised laminate pouches and roll forms for FMCG and pharma.



## PP MATS BUSINESS

Offering durable, lightweight polypropylene mats for home use, exports, and institutional applications.



## SELF ADHESIVE TAPES BUSINESS

Supplying industrial-grade and retail adhesive tapes for packaging and sealing.



## FOOD WRAPS DIVISION

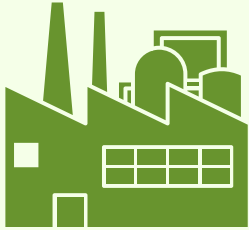
Innovating sustainable alternatives to foil and cling film for safe food use.



## HORTICULTURE BAGS BUSINESS

Manufacturing strong, UV-resistant bags designed for nursery plantations, agriculture, and export markets.

# STRATEGIC & OPERATIONAL OVERVIEW



## INFRASTRUCTURE STRENGTH

Three manufacturing units strategically operational, strengthening our national production footprint.



## PRODUCT PORTFOLIO

Diversified presence across seven business verticals, actively serving both B2B and retail markets.



## PROCESS EFFICIENCY

Enhanced production planning and scheduling systems to improve operational output and resource use.



## CUSTOMER RELATIONSHIPS

Sustained customer engagement and retention across key product segments, reinforcing brand trust and loyalty.



## COST MANAGEMENT

Targeted cost optimization initiatives implemented successfully to preserve financial discipline.



## MARKET PRESENCE

Sustained market presence across core domestic territories, while steadily expanding reach into emerging global markets.

***This year, Clara focused on building operational depth, streamlining efficiencies, and preparing the groundwork for sustainable growth ahead.***

# BUSINESS HIGHLIGHTS FY 2024-25



## REVENUE

**₹1,103.78 lacs** recorded, reflecting steady demand and operational resilience in key geographies.



## PROFIT BEFORE TAX

Delivered **₹282.97 lacs** in PBT, underscoring stable core performance and effective cost oversight.



## PROFIT AFTER TAX

Profit After Tax stood at **₹189.03 lacs**— a result of disciplined execution and strategic focus.



## COST EFFICIENCY

Focused cost optimisation and lean operations helped preserve profitability despite market headwinds.



## FINANCIAL CONTROLS

Strengthened internal controls, compliance, and reporting accuracy across financial systems.



## RESILIENCE & STABILITY

Maintained financial and operational consistency despite a challenging macroeconomic environment.

# STRATEGIC REVIEW & MANAGEMENT PERSPECTIVE

The financial year 2024-25 brought with it a blend of challenges and turning points for Clara Industries. From fluctuating global input prices to unpredictable domestic demand patterns, businesses across sectors were required to respond swiftly and thoughtfully. For us at Clara, the year was not defined by headline growth numbers, but by the groundwork laid quietly behind the scenes. This was a year of consolidation, recalibration, and positioning ourselves for a new phase of responsible growth.

Rather than aggressively pursuing expansion in uncertain terrain, we chose to stabilize our core. Emphasis was placed on protecting profitability in a volatile cost environment while ensuring strong, enduring relationships across our customer and supplier ecosystems. These efforts translated into improved operational discipline, leaner inventories, and tighter procurement cycles—all designed to ensure agility in times of uncertainty.

Our diversified business portfolio—from Packaging Films and Recycled Granules to Flexible Packaging, Self-Adhesive Tapes, and Food Wrap Solutions—delivered stable output, thanks to a production model that prioritized real-time demand responsiveness. Despite subdued demand in some downstream sectors like FMCG and agri-inputs, Clara maintained a customer-first approach, ensuring timely deliveries and consistent quality. We viewed softness in demand not as a constraint, but as an opportunity to optimize resources and refine systems.

Operationally, the year was marked by forward-thinking investments that will shape our long-term growth. We laid the foundation for new capacities, including the planned entry into woven sack manufacturing—a move aligned with our vision to expand responsibly into adjacent segments of the packaging industry. While full commissioning and impact will be felt in the next fiscal year, these strategic steps underscore our belief in investing during uncertainty to harvest in certainty.

In line with our sustainability commitment, Clara continued to integrate circular economy principles across manufacturing units. Our recycled granules division achieved improved throughput and efficiency through energy-conscious upgrades and tighter waste control measures. This not only contributed to lower production costs but also reinforced our long-term environmental stewardship goals. The alignment of environmental responsibility with business efficiency remains central to our operational ethos.

On the digital front, we accelerated the adoption of automation, predictive maintenance systems, and data-driven quality control. These technology interventions allowed us to streamline production cycles, reduce downtimes, and unlock higher output-to-cost ratios. Going forward, we see digital transformation not just as a cost lever but as a core enabler of smarter manufacturing and customer service.



Our market strategy was equally focused and deliberate. Clara expanded its visibility in underpenetrated Tier 2 and Tier 3 cities, where the demand for household utility products like food wraps and PP mats is on the rise. These markets offer better pricing stability and brand stickiness, and our early mover advantage positions us well for deeper penetration in the coming years.

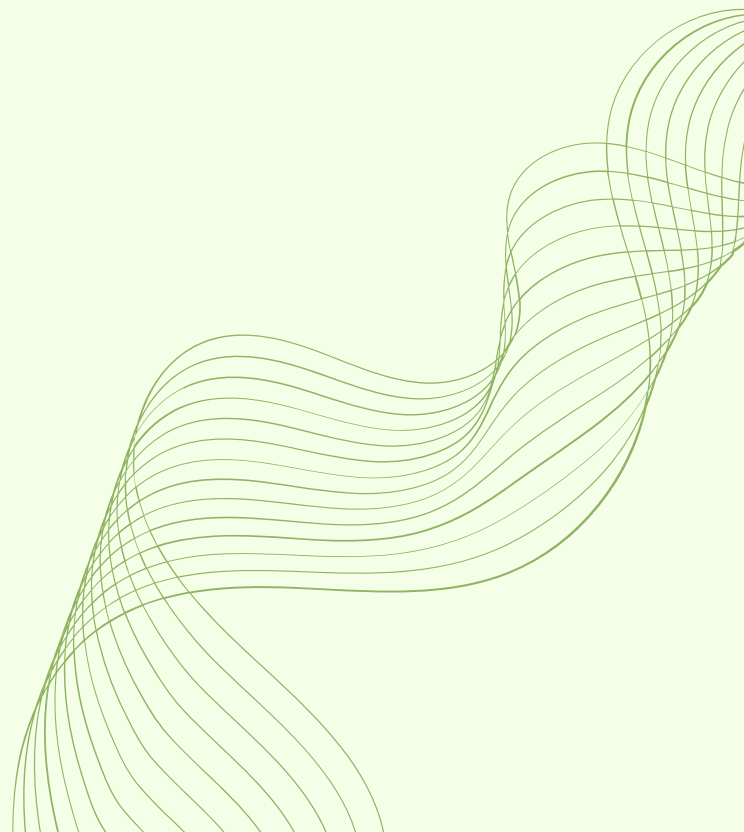
Importantly, we prioritized internal capability building—investing in training, upskilling, and SOP standardization to prepare our workforce for scale and diversification. This cultural shift toward continuous improvement and proactive adaptation is what we believe will set Clara apart in the evolving manufacturing landscape.

Looking ahead, Clara's growth roadmap is centered on strategic depth over speed. Our priority is to strengthen our manufacturing backbone, integrate verticals wherever synergies exist, and bring more value-added products into our pipeline. As industry shifts toward sustainability, cost-efficiency, and agile manufacturing, Clara aims to lead not just by numbers, but by the clarity and responsibility of our intent.

The broader policy landscape this year also signaled strong opportunities for companies like Clara that are aligned with India's focus on domestic manufacturing and sustainability. With the government promoting circular economy models, reduced plastic usage, and infrastructure-driven demand for packaging, we see a clear policy tailwind for our key business segments. As we align our operational goals with national objectives such as "Make in India" and "Swachh Bharat," Clara is well-positioned to play a meaningful role in India's industrial and environmental progress.

Risk management remained a central pillar of our operational decision-making. With input costs showing unpredictability—especially polymer-based raw materials—we employed dynamic procurement strategies, diversified sourcing partners, and closely monitored forex volatility. Our internal teams also strengthened scenario-based planning, ensuring that any geopolitical or macroeconomic disruptions could be mitigated without destabilizing core operations. Additionally, risk controls were extended across compliance, cyber-security, and inventory management, ensuring holistic preparedness.

As we move into FY 2025-26, Clara Industries stands on the threshold of its next growth curve—one defined by scale, trust, and innovation. Our strategic focus will remain on operational integration, brand building in consumer-facing categories, and strengthening our export footprint. With the newly added capacity, a culture of continuous improvement, and the trust of our stakeholders, we are confident in our ability to deliver both financial performance and long-term value creation.



# SUSTAINABILITY IN PRACTICE

## *What We Do, Every Day*

At Clara Industries Limited, sustainability is not a box we check — it is a mindset that informs our every action, decision, and innovation. As a company operating in the industrial and consumer packaging space, we recognise the ecological challenges that conventional packaging materials present. This understanding has inspired us to build a business model that is not only growth-focused but also circular, regenerative, and rooted in environmental intelligence.

We believe that truly sustainable operations begin with responsible material stewardship. One of the most impactful examples of this is our zero-waste-to-landfill policy across all units. Every gram of PP and BOPP waste generated during our manufacturing processes is captured, segregated, and recycled. This scrap material is not treated as waste — but as a resource. Through a robust internal recycling system, it is transported to our dedicated Unit-2 facility, where it is transformed into high-quality recycled granules. These granules are then reintroduced into our operations to produce sturdy, long-life polypropylene (PP) mats, effectively creating a closed-loop system that extends the usable life of plastic and reduces reliance on virgin raw materials.

But our sustainability strategy goes far beyond waste management. We have embedded efficiency and conservation into the DNA of our production architecture. Real-time quality control

systems ensure that overproduction is avoided, batch errors are caught early, and raw material consumption is optimized. These systems work alongside lean manufacturing principles that help us maximize material yield and reduce process scrap. It is a continuous cycle of improvement — one that is driven by data, refined through discipline, and scaled through innovation.

As part of our long-standing commitment to greener operations, Unit-1 is equipped with a solar backup plant that plays a key role in supporting uninterrupted production. This renewable energy solution helps mitigate losses during power outages by ensuring operational continuity and protecting in-process materials from potential damage. Beyond its functional benefits, the solar backup also contributes to reducing our reliance on conventional energy sources, aligning with our broader efforts to decarbonise manufacturing. Looking ahead, we are actively exploring the feasibility of extending similar renewable energy initiatives to other units as part of our ongoing sustainability roadmap.

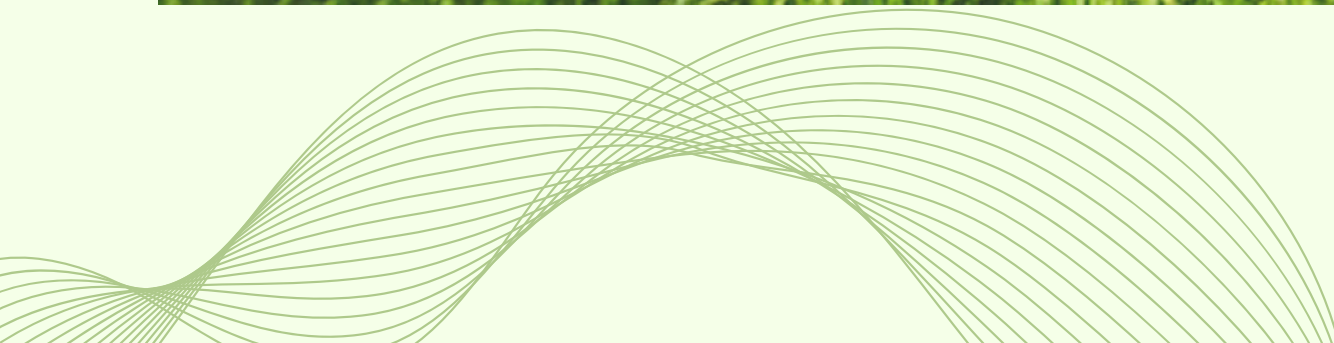
Beyond equipment and infrastructure, our sustainability vision is also shaped by a deep commitment to energy and resource optimization. While manufacturing remains an inherently power-intensive industry, our goal is to continually lower our energy usage per metric ton of output. This is being achieved through a mix of strategic measures

— from the adoption of energy-efficient machinery to predictive scheduling of production batches that reduce idle run time. Training our workforce to adopt energy-conscious behaviours on the shop floor has also emerged as a key lever in this process.

Our innovation in product design also aligns with our sustainability commitments. We are actively developing and commercialising lightweight, high-barrier packaging films that deliver strength and performance with lower material usage. These products directly contribute to reducing transportation emissions by lowering load weight, while also being easier to recycle — amplifying impact across the value chain.

In essence, sustainability at Clara Industries is not a single program — it is a systemic way of working. It finds expression in how we plan our capacities, design our processes, manage our waste, train our teams, and engage our suppliers. We view our business not in isolation, but as part of a broader environmental and social ecosystem. Each year, we are learning, evolving, and refining our approach — guided by the belief that responsible manufacturing is not just possible, but imperative.

As we move forward, we will continue to invest in technologies, systems, and partnerships that help us stay ahead of sustainability standards — and redefine what responsible industrial leadership looks like in India and beyond.



# OUR ESG PRINCIPLES:

## *Driving Responsible Growth*

The future of industry will not be defined solely by how large a company becomes or how profitable it is, but by how responsibly it operates and how purposefully it evolves. At Clara Industries, this belief forms the bedrock of our growth philosophy. As a company rooted in industrial manufacturing, we acknowledge that our operations leave an imprint — on the environment, on communities, and on the lives of the people we employ. That recognition drives us to pursue progress not just with ambition, but with care.

We have chosen to view Environmental, Social, and Governance (ESG) not as an external requirement, but as an internal imperative. Rather than isolating ESG into standalone programs or policies, we are working to embed its principles into the DNA of our decision-making — from product innovation and procurement to HR practices and boardroom conversations. This integrated approach ensures that sustainability isn't just a goal, but a guiding mindset — one that prioritises resilience over speed, and impact over optics.

### **Environmental Stewardship:**

In the environmental sphere, our actions are centered on doing more with less — reducing consumption while amplifying efficiency and reuse. Over the past year, we've initiated efforts to streamline production, adopt material recycling practices, and evaluate our energy footprint across all units.

By embracing closed-loop systems, we are minimising our waste-to-landfill ratio, lowering energy consumption, and

reducing emissions per unit of output.

Our long-term ambition is to create manufacturing systems that are not only sustainable, but regenerative — where waste becomes input, and efficiency drives innovation. Whether through the gradual integration of renewable energy sources or better water management protocols, we remain committed to making our operations greener and more future-ready. These are not isolated initiatives, but building blocks of a culture that aims to thrive without harming the ecosystem it operates within.

### **Social Responsibility:**

At the heart of Clara's operations is our belief in people. We view every team member as a stakeholder in our mission, and every workplace as a space for safety, inclusion, and growth. Our recruitment practices are designed to be meritocratic and inclusive, offering equal opportunity across backgrounds, skill sets, and roles. We've invested in comprehensive training modules to up skill our workforce and keep them aligned with the evolving demands of the industry.

Beyond hiring and training, our focus on well-being and safety remains unwavering. Our facilities meet rigorous health and safety standards, and we continually seek to improve them through audits, feedback mechanisms, and employee engagement programs. We strive to foster a culture where mutual respect, open communication, and accountability are not just encouraged — but expected.



**Governance Excellence:**

Clara Industries believes that good governance is the invisible foundation of sustainable growth. Our systems are designed to uphold transparency, ethical conduct, and financial integrity. From robust internal audit mechanisms and third-party assessments to ongoing board oversight, we strive to maintain high standards of compliance and ethical leadership. Every strategic decision undergoes thorough evaluation, not just for financial merit but for its broader impact on stakeholders and society.

We continue to refine our risk management frameworks to better anticipate and respond to disruptions — whether operational, regulatory, or environmental. Our governance approach is dynamic, forward-looking, and deeply rooted in the values of responsibility, accountability, and trust.

**The Road Ahead:**

We do not view ESG as a checklist to be ticked off at the end of each financial year. Instead, we see it as an evolving journey that defines who we are — and who we strive to become. As we move forward, Clara Industries is committed to strengthening ESG integration across all verticals, ensuring that every product we deliver, every policy we draft, and every goal we chase reflects our purpose-driven ethos.

Responsible growth, for us, is not just a competitive advantage — it is the standard we hold ourselves to. It is the promise we make to our stakeholders, and the legacy we aim to build for the next generation.





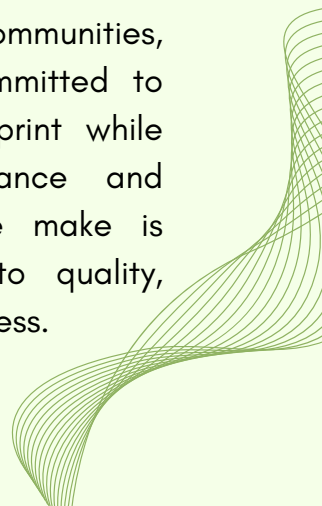
# VISION

At Clara Industries Limited, our vision is to emerge as a global leader in sustainable and innovative packaging solutions that not only meet the evolving needs of industries and consumers but also contribute meaningfully to a cleaner, more responsible future. We envision a world where packaging plays a central role in advancing circular economies, minimizing environmental impact, and enhancing product value across sectors. By continuously investing in technology, design, and ethical practices, we aim to set new standards in quality, safety, and sustainability. Our long-term goal is to transform conventional manufacturing into a purposeful and planet-positive enterprise — one that inspires trust, empowers communities, and stands as a symbol of responsible industrial growth. Through each milestone, we are committed to leaving behind a legacy not just of scale, but of conscious impact.



# MISSION

At Clara Industries Limited, our mission is to provide high-quality, sustainable packaging solutions that serve both industry and the environment. We strive for operational excellence, continuous innovation, and responsible manufacturing across all our verticals — from flexible packaging to recycled materials and food wraps. By empowering our people, embracing ethical practices, and focusing on long-term value, we aim to contribute meaningfully to customers, communities, and the planet. We are committed to reducing our ecological footprint while enhancing product performance and reliability. Every decision we make is guided by our dedication to quality, sustainability, and shared progress.



# COMPANY GOALS



At Clara Industries Limited, our goals are defined by a vision of sustainable industrial excellence, innovation-driven growth, and global impact. We strive to become a leading force in the packaging sector by expanding our manufacturing capabilities, diversifying our product lines, and enhancing our presence across domestic and international markets. A key priority is to triple our production capacity over the next few years while reducing our environmental footprint through greener technologies, energy-efficient processes, and closed-loop recycling systems. We are committed to continually upgrading our infrastructure and investing in automation, R&D, and product innovation to meet the evolving demands of our customers. In parallel, we aim to strengthen our workforce by fostering a culture of safety, skill development, and inclusive opportunity. Whether it's through launching newer product verticals like cling film and self-adhesive tapes or advancing our sustainability agenda, every goal we pursue is tied to our larger mission: to create long-term value for our stakeholders, contribute positively to industry standards, and set new benchmarks for responsible manufacturing in India and beyond.

# BOARD OF DIRECTORS



**MRS. PARRY KUKREJA**

Managing Director



**MR. NIKHIL KUKREJA**

Executive Director &  
Chief Financial Officer



**MRS. PRIYANKA MEDIRATAA**

Non- Executive Director



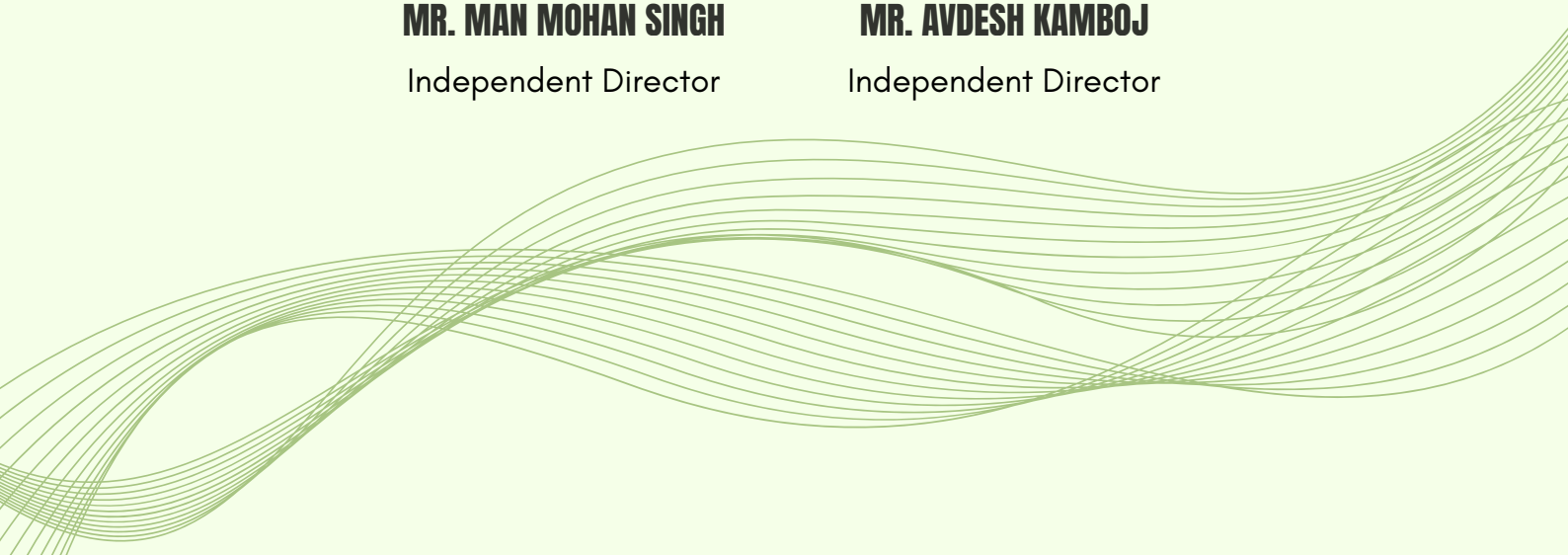
**MR. MAN MOHAN SINGH**

Independent Director

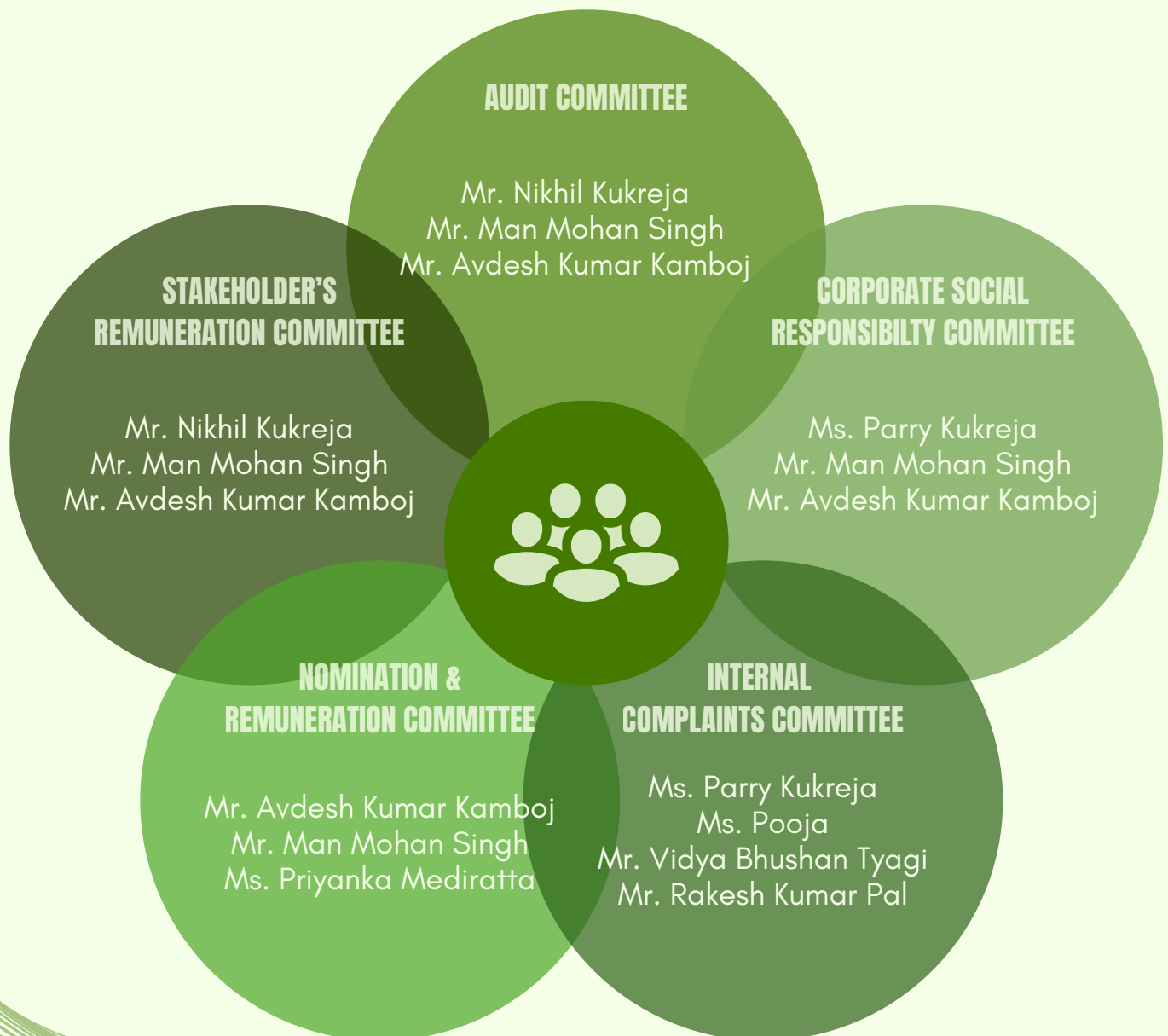


**MR. AVDESH KAMBOJ**

Independent Director



# CORPORATE GOVERNANCE COMMITTEES



# CORPORATE DIRECTORY

## KEY MANAGERIAL PERSONNEL

### COMPANY SECRETARY & COMPLIANCE OFFICER

**Ms. Pooja**

H.No: 4, Civil Line, Palwal, Haryana-121102

Cell: +91 81718 84399

E-mail: cs@clara.co.in



### CHIEF FINANCIAL OFFICER

**Mr. Nikhil Kukreja**

H.No: 4/911, Zafar Nawaz, Saharanpur-247001

E-mail: cfo@clara.co.in

## AUDITORS



### STATUTORY AUDITORS

**M/s. Jay Gupta and Associates**

Chartered Accountants, Imax Lohia Square, 23, Gangadhar Babu Lane, 3rd Floor, Room No.3A, Kolkata-700 012

Tel No: +91 33-4604 1743

E-mail: guptaagarwal.associate@gmail.com



### SECRETARIAL AUDITORS

**M/s. Verma Ashish & Co.**

**Company Secretaries**

1/5142 Khalasi Line, Rampuri Colony, Near Hanuman Mandir, Saharanpur-247001

Tel No: +91 92590 52740

E-mail: vermaashish@gmail.com

## CORPORATE INFORMATION



### COMPANY LISTING DETAILS

BSE Limited- SME Platform

PJ Towers, Dalal Street, Mumbai-400001



### INVESTORS RELATIONS

**Mrs. Pooja**

Company Secretary & Compliance Officer

E-mail: info@clara.co.in



### RTA OF THE COMPANY

**Bigshare Services Pvt. Ltd.**

Office No. S62, 6<sup>th</sup> floor, Pinnacle Business Park, Next to AH centre, Mahakali caves road, Andheri (East) Mumbai-400093, Maharashtra, India

Tell No: +91 22 62638200122

E-mail: rightissue@bigshareonline.com



### BANKERS

- Punjab National Bank
- Bank of Baroda
- Axis Bank
- ICICI Bank



### REGISTERED OFFICE

127/1 Gram Simbhalka Junardar Paragna, Tehsil and District, Saharnpur-247001, Uttar Pradesh, India

Tel No: +91 81718 84399

E-mail: info@clara.co.in

Website: www.clara.co.in



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# NOTICE

**NOTICE** is hereby given that the 4<sup>th</sup> Annual General Meeting of the Members of Clara Industries Limited will be held on Sunday 28<sup>th</sup> September, 2025 at 4:00 p.m. at Unit no.3, Khasra No.219, Village Padli Khushalpur, Dehradun Road Tehsil and District Saharanpur UP 247001 IN , to transact the following businesses: -

## ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2025, including the Audited Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss for the financial year ended on that date and the reports of the Board of Directors ("the Board") and Auditors thereon.

## SPECIAL BUSINESS:

2. Approval for continuation of Mr. Manmohan Singh (DIN: 07790507) as an Independent Director of the Company, notwithstanding his attaining the age of 75 years. To consider and, if thought fit, to pass the following resolution as a Special Resolution: **"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder, read with Schedule IV to the Act and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, and in accordance with Regulation 17(1A) of SEBI (LODR) Regulations, 2015, the consent of the Members of the Company be and is hereby accorded for continuation of Mr. Manmohan Singh (**DIN: 07790507**).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution."

3. Appointment of M/s Verma Ashish & Company, Practicing Company Secretaries, as Secretarial Auditors of the Company for FY [2025-26] to [2029-30]  
To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and in terms of **Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, as amended from time to time, consent of the Members of the Company be and is hereby accorded for the appointment of **M/s Verma Ashish & Company, Practicing Company Secretary (Peer Review Certificate No. 2331/2022), a Sole Proprietorship Firm, as the Secretarial Auditor of the Company for the financial year 2025-26 to 2029-30**, to conduct the Secretarial Audit and issue the Secretarial Audit Report in Form MR-3 and the Annual Secretarial Compliance Report

as required under SEBI LODR Regulations, at a remuneration as may be determined by the Board of Directors in consultation with them.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to finalize the terms of appointment, revise remuneration as may be deemed appropriate, and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution."

**Registered Office:**

127/1, Gram Simbhalka, Junardar  
Paragna, Tehsil and District Saharanpur  
Uttar Pradesh-247001

**By order of the Board of Directors**

For Clara Industries Limited

Sd/-  
Parry Kukreja  
Managing Director  
DIN: 06649401

Place : Saharanpur  
Date : September 06 , 2025

# NOTES

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a Member of the Company. The Instrument appointing a proxy must be deposited with the Company at its Registered Office, not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a proxy, on behalf of not more than fifty members, holding in aggregate not more than ten percent of the total share capital of the Company, carrying voting rights. Members holding more than ten percent of the total share capital of the Company, carrying voting rights may appoint a single person as a proxy, who shall not act as a proxy for any other Member. Attendance Slip, Proxy Form and the Route Map along with a prominent landmark of the venue of the Meeting are annexed with this Annual Report.
2. The Statement pursuant to Section 102 of the Companies Act 2013 (Act), setting out the material facts concerning Item Nos. 2 and 3 set out above is enclosed along with the details under Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of the Secretarial Standard -2] in respect of directors proposed to be appointed/re-appointed at the Annual General Meeting is annexed hereto.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect proxies lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.
4. Members/Proxies attending the Meeting must carry with them, duly signed and stamped Attendance Slip and deposit it at the entrance of the venue of the Meeting. Members are also requested to carry their copy of the Annual Report of the Company, to the Meeting.
5. The Register of Member and Transfer Books will remain closed from Thursday, the 06<sup>th</sup> day of September, 2025 to Thursday, the 28<sup>th</sup> day of September, 2025 (both days inclusive) for the purpose of Annual General Meeting.
6. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
7. The notice is being sent to all members, whose names appear on the Register of Members/List of beneficial owners.
8. In case shares are jointly held, this form should be completed and signed (as per the specimen signature registered with the company) by the first named member and in his/her absence, by the next named member.

9. Copy of relevant documents referred to in this notice are open for inspection at the registered office of the Company on all working days, except holidays between 11.00 A.M to 2.00 P.M upto the date of declaration of the results.
10. Any member desirous of getting any information on the accounts of the Company is required to forward his/her queries at least 7 days prior to the meeting so that the required information can be made available at the meeting.
11. Members are requested to intimate change in their address immediately to M/s. Bigshare Services Private Limited, the Company's Registrar and Share Transfer Agents, at their office at Office No S6-2, Pinnacle Business Park, 6<sup>th</sup>, Mahakali Caves Rd, next to Ahura Centre, Shanti Nagar, Andheri East, Mumbai, Maharashtra 400093
12. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
13. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s. Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company, at their address given above.
14. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
15. For members who have not registered their email address, physical copies of the Notice of the 4<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of 4th Annual General Meeting and Annual report for 2024-25 will be available on company's website: [www.clara.co.in](http://www.clara.co.in) for their download.
16. Members who have not registered their email addresses so far are requested to register their e-mail address for receiving all communications including annual report, notices, circulars etc. from the company electronically.
17. M/s. Verma Ashish & Co. (Proprietor Mr. Ashish Verma) Practicing Company Secretary, (C.P No. 22530) has been appointed as the Scrutinizer to scrutinize voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 2 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
18. Since Ballot form is provided to the members pursuant to the provisions of section 108 of the companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, voting by show of hands are not allowed



- 19.** The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM.
- 20.** The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.clara.co.in](http://www.clara.co.in). The same will be communicated to the stock exchanges where the company shares are listed viz. The Bombay Stock Exchange.

**Registered Office:**

127/1, Gram Simbhalka, Junardar  
Paragna, Tehsil and District Saharanpur  
Uttar Pradesh-247001

**By order of the Board of Directors**

For Clara Industries Limited

Sd/-  
Parry Kukreja  
Managing Director  
DIN: 06649401

Place : Saharanpur  
Date : September 06 , 2025

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS

Pursuant to Section 102 of the Companies Act, 2013 ("the Act"):

#### ITEM NO: 2

#### **TO APPROVE THE CONTINUATION OF MR. MANMOHAN SINGH AS AN INDEPENDENT DIRECTOR OF THE COMPANY, NOTWITHSTANDING HIS ATTAINING THE AGE OF 75 YEARS:**

Mr. Manmohan Singh DIN: 07790507 was appointed as an Independent Director of the Company for a term of [5 years] w.e.f. 28/09/2021. He has attained the age of 75 years during his tenure.

As per Regulation 17(1A) of the SEBI (LODR) Regulations, 2015, no listed entity shall appoint or continue the directorship of a Non-Executive Director who has attained the age of 75 years unless a special resolution is passed to that effect and the explanatory statement annexed to the notice indicates the justification for such continuation.

The Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on 06/09/2025, after due assessment, have recommended continuation of Mr. Manmohan Singh as an Independent Director of the Company till the expiry of his current term.

Justification for continuation:

- Mr. Singh has rich experience of 35 years in pharmaceutical industry, and his guidance has been invaluable in strengthening the Company's governance and strategic direction.
- His expertise and independent judgement continue to be beneficial for the Company.
- He fulfils all conditions specified for Independent Directors under the Companies Act, 2013 and SEBI (LODR) Regulations.

Accordingly, the Board recommends the passing of this Special Resolution.

None of the Directors, Key Managerial Personnel, or their relatives, except Mr. Manmohan Singh, is concerned or interested, financially or otherwise, in this resolution.

#### ITEM NO: 3

#### **TO APPROVE THE APPOINTMENT OF M/S VERMA ASHISH & COMPANY, PRACTICING COMPANY SECRETARIES, AS SECRETARIAL AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2025-26 TO 2029-30:**

Appointment of Secretarial Auditors (Ordinary Resolution) Pursuant to the provisions of Regulation 24A of the Listing Regulations, as amended, every listed entity is required to appoint a Peer Reviewed Company Secretary or firm of Company Secretaries as Secretarial Auditor for a term of five years with the approval of shareholders at the Annual

General Meeting. Accordingly, at its meeting held on September 06, 2025, the Board of Directors, after considering the expertise and experience of Verma Ashish & Company, Peer Review No. 2331/2022), who were the Secretarial auditors for the year 2024 and based on the recommendation of the Audit Committee, has proposed their appointment as the Secretarial Auditors of the Company. The proposed appointment is for a term of five consecutive years, commencing from the conclusion of the 4th Annual General Meeting until the conclusion of the 9th Annual General Meeting, subject to shareholder's approval.

**CLARA INDUSTRIES LIMITED**  
**CIN: L25209UP2021PLC151537**

**127/1 Gram Simbhalka Junardar, Paragna, Teshil and District Saharanpur UP  
247001 IN**

**4<sup>th</sup> ANNUAL GENERAL MEETING**

## **ATTENDANCE SLIP**

(Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.)

|                 |  |               |  |
|-----------------|--|---------------|--|
| DP Id*          |  | Client Id*    |  |
| Regd. Folio No. |  | No. of Shares |  |

\*Applicable for shares held in electronic form

Name(s) and address of the shareholder / Proxy in full: \_\_\_\_\_

I/we hereby record my/our presence at the 4th Annual General Meeting of the Company being held on Sunday, 28<sup>th</sup> September, 2025 at 4:00 P.M.. at Clara Industries Limited Unit No.3 Khasra No. 219, Padli Khushalpur, Dehradun Road Saharanpur.

Please (✓) in the box

MEMBER ☐ PROXY ☐

\_\_\_\_\_  
Signature of Shareholder / Proxy

FORM NO. MGT-11

## PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies Management and Administration) Rules, 2014

CIN: L25209UP2021PLC151537

Name of the Company: CLARA INDUSTRIES LIMITED

Registered Office: 127/1 Gram Simbhalka Junardar, Paragna, Teshil and District Saharanpur, UP, 247001 IN

|                        |  |
|------------------------|--|
| Name of the member(s): |  |
| Registered Address:    |  |
| E-mail Id:             |  |
| Folio No. / Client Id: |  |
| DP Id:                 |  |

I/ We, being the member(s) of ..... shares of the above named Company, hereby appoint

1. Name:  
Address:  
E-mail Id:  
Signature:\_\_\_\_\_ or failing him/her

2. Name:  
Address:  
E-mail Id:  
Signature:\_\_\_\_\_ or failing him/her

3. Name:  
Address:  
E-mail Id:  
Signature:\_\_\_\_\_ or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 4th Annual General Meeting of the Company, to be held on Sunday, 28<sup>th</sup> September, 2025 at 4:00 P.M.. at Clara Industries Limited Unit No.3 Khasra No. 219, Padli Khushalpur, Dehradun Road, Saharanpur and at any adjournment thereof in respect of such resolutions as are indicated on the following page:

| Item No.                  | Description of Resolutions                                                                                                                                                  |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>ORDINARY BUSINESS:</b> |                                                                                                                                                                             |
| <b>1</b>                  | To adopt the Audited Balance Sheet of the Company for the Financial Year ended 31st March, 2025 together with the Report of the Board of Directors and Auditors thereon.    |
| <b>SPECIAL BUSINESS:</b>  |                                                                                                                                                                             |
| <b>2</b>                  | To approve the continuation of Mr. Manmohan Singh as an Independent Director of the Company, notwithstanding his attaining the age of 75 years.                             |
| <b>3</b>                  | To approve the appointment of M/s Verma Ashish & Company, Practicing Company Secretaries, as Secretarial Auditors of the Company for the financial year 2025-26 to 2029-30. |

Signed this ..... day of ..... 2025

Signature of shareholder(s)

Signature of Proxy holder(s)

**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. Any alteration or correction made to this Proxy form must be initialed by the signatory/ signatories.



**FORM NO. MGT-12**

# POLLING PAPER

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

| Sr. No. | Particulars                                                                                               | Details |
|---------|-----------------------------------------------------------------------------------------------------------|---------|
| 1       | Name and Registered Address of the Sole / First named Shareholders                                        |         |
| 2       | Name(s) of the Joint Holder(s), (if any)                                                                  |         |
| 3       | Registered Folio Number / DP ID No.* *<br>(Applicable to Investors holding shares in dematerialized Form) |         |
| 4       | Number of Share(s) held                                                                                   |         |

I / We hereby exercise my / our votes in respect of the Resolutions set out in the Notice dated 14th August, 2025 as set out below to be passed by the means of Ballot by giving my / our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate boxes below (tick in the both boxes will render the ballot invalid).

| Sr. No. | Particulars                                                                                                                                                                 | Type of Resolution | No. of Shares | (FOR) I / We assent to the Resolution | (AGAINST) I / We dissent to the Resolution |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------|---------------------------------------|--------------------------------------------|
| 1       | To adopt the Audited Balance Sheet of the Company for the Financial Year ended 31st March, 2025 together with the Report of the Board of Directors and Auditors thereon.    | Ordinary           |               |                                       |                                            |
| 2       | To approve the continuation of Mr. Manmohan Singh as an Independent Director of the Company, notwithstanding his attaining the age of 75 years.                             | Special            |               |                                       |                                            |
| 3       | To approve the appointment of M/s Verma Ashish & Company, Practicing Company Secretaries, as Secretarial Auditors of the Company for the financial year 2025-26 to 2029-30. | Special            |               |                                       |                                            |

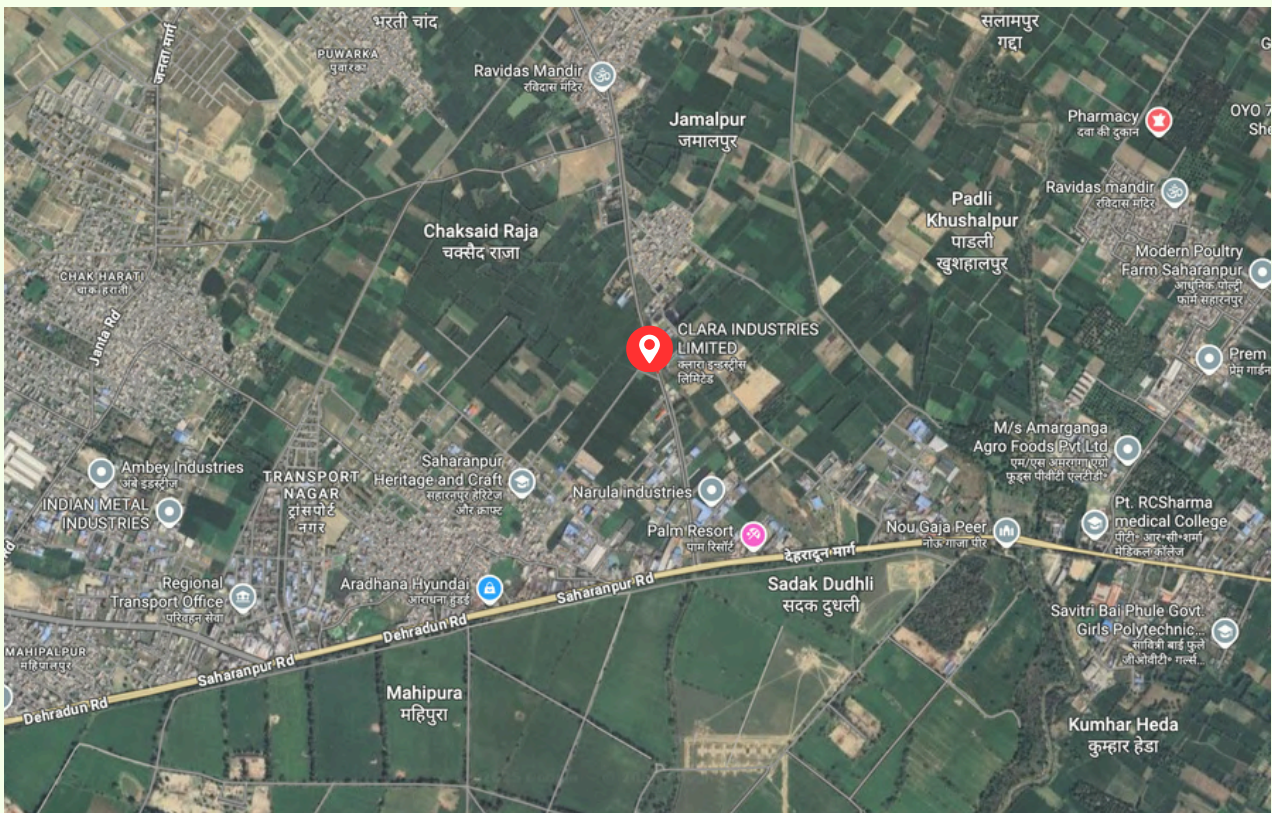
Place: Saharanpur  
Date:

(Signature of Shareholder)

# ROUTE MAP OF THE VENUE OF THE 4<sup>TH</sup> ANNUAL GENERAL MEETING

**CLARA INDUSTRIES LIMITED**

**UNIT NO.3, KHASRA NO. 219, PADLI KHUSHALPUR, DEHRADUN ROAD  
SAHARANPUR-247001**





# DIRECTOR'S REPORT

**Dear Shareholders,**

The Board of Directors ("the Board") of Clara Industries Limited ("the Company") is pleased to present the Fourth Annual Report, along with the audited financial statements for the financial year ended March 31, 2025.

## SUMMARY OF FINANCIAL RESULTS

For FY 2024-25, the Company recorded a total income of ₹1,103.78 lakhs, with revenue from operations at ₹1,077.89 lakhs. Profit Before Tax stood at ₹282.97 lakhs, while Profit After Tax was ₹189.03 lakhs, reflecting disciplined cost management and operational stability during a challenging year.

Below is the detailed financial statement:

| Sr. No. | Particulars                                                           | Year to date figures as on 31.03.2025 | % of total income | Year to date figures as on 31.03.2024 | % of total income |
|---------|-----------------------------------------------------------------------|---------------------------------------|-------------------|---------------------------------------|-------------------|
|         | <b>Income from Operations</b>                                         |                                       |                   |                                       |                   |
| I.      | Revenue from Operations                                               | 1077.89                               | 97.65%            | 1268.13                               | 99.30%            |
| II.     | Other Income                                                          | 25.89                                 | 2.35%             | 8.99                                  | 0.70%             |
| III.    | <b>Total Income from Operations (Net)</b>                             | <b>1103.78</b>                        | <b>100.00%</b>    | <b>1277.12</b>                        | <b>100.00%</b>    |
| IV.     | <b>Expenses</b>                                                       |                                       |                   |                                       |                   |
|         | Cost of Material Consumed                                             | 874.00                                | 79.18%            | 597.53                                | 46.79%            |
|         | Purchase of stock-in-trade                                            | -                                     | -                 | 21.25                                 | 1.66%             |
|         | Changes in Inventories                                                | -130.16                               | -11.79%           | -58.58                                | -4.59%            |
|         | Employees Benefits Expenses                                           | 7.35                                  | 0.67%             | 27.53                                 | 2.16%             |
|         | Finance Costs                                                         | 17.17                                 | 1.56%             | 8.32                                  | 0.65%             |
|         | Depreciation & Amortization Expenses                                  | 25.34                                 | 2.30%             | 36.47                                 | 2.86%             |
|         | Other Expences                                                        | 27.11                                 | 2.46%             | 35.67                                 | 2.79%             |
|         | <b>Total Expenses(IV)</b>                                             | <b>820.81</b>                         | <b>74.36%</b>     | <b>668.19</b>                         | <b>52.32%</b>     |
| V.      | <b>Profit before exceptional items and tax (III-IV)</b>               | <b>282.97</b>                         | <b>25.64%</b>     | <b>608.93</b>                         | <b>47.68%</b>     |
| VI.     | Exceptional Items (Net Gain/Loss)                                     | -                                     | -                 | 8.63                                  | 0.68%             |
| VII.    | <b>Profit before tax (V-VI)</b>                                       | <b>282.97</b>                         | <b>25.64%</b>     | <b>600.29</b>                         | <b>47.00%</b>     |
| X.      | <b>Tax Expenses</b>                                                   |                                       |                   |                                       |                   |
|         | Current Tax                                                           | 67.48                                 | 6.11%             | 158.36                                | 12.40%            |
|         | Earlier years Tax                                                     | 22.72                                 | 2.06%             | 22.34                                 | 1.75%             |
|         | Deferred Tax                                                          | 3.74                                  | 0.34%             | -0.09                                 | -0.01%            |
|         | <b>Tax Expenses for the Year</b>                                      | <b>93.94</b>                          | <b>8.51%</b>      | <b>180.61</b>                         | <b>14.14%</b>     |
| XI.     | <b>Profit (Loss) for the period from continuing operations (IX-X)</b> | <b>189.03</b>                         | <b>17.13%</b>     | <b>419.68</b>                         | <b>32.86%</b>     |

## PERFORMANCE OF THE COMPANY

During the financial year 2024-25, Clara Industries Limited navigated a dynamic business environment marked by fluctuating input costs and moderated demand trends. Despite these challenges, the Company delivered a total income of ₹1,103.78 lakhs, compared to ₹1,277.12 lakhs in the previous year. Revenue from operations stood at ₹1,077.89 lakhs, while Profit Before Tax was ₹282.97 lakhs, and Net Profit After Tax amounted to ₹189.03 lakhs.

Although the topline performance reflected a temporary slowdown due to market conditions and the strategic decision to prioritise consolidation over aggressive expansion, the Company continued to strengthen its fundamentals. Disciplined cost management, process efficiency improvements, and operational alignment across business units ensured profitability and liquidity stability.

Clara Industries remained committed to its strategic roadmap, which included key investments in capacity expansion for future growth. The procurement of advanced woven sack manufacturing machinery during the year marked a significant step toward diversification, with the operational benefits expected to materialize in FY 2025-26.

The management remains optimistic about the coming fiscal year, supported by an improved demand outlook, ongoing efficiency initiatives, and a strong product portfolio across packaging films, flexible packaging, food wrap solutions, PP mats, and recycled granules.

## COMPANY'S WEBSITE

The official website of your Company, [www.clara.co.in](http://www.clara.co.in), serves as a comprehensive information hub, reflecting Clara Industries' business operations and commitment to transparency. The homepage provides an overview of our core business segments, product portfolio, and value-driven solutions.

The website also hosts an extensive repository of investor-related information, including annual financial results, shareholding patterns, details of the Board of Directors and senior management, committee compositions, corporate policies, and governance frameworks. In addition, it features updates on the Company's key initiatives, strategic developments, and sustainability practices.

All disclosures mandated under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are promptly uploaded to ensure compliance and enable stakeholders to access accurate and timely information.

## CAPITAL STRUCTURE

During the financial year 2024-25, the Company undertook strategic measures to strengthen its capital base and enhance shareholder value. The Authorized Share Capital was increased from ₹11.00 crore (comprising 1.10 crore equity shares of ₹10/- each) to ₹21.00 crore (comprising 2.10 crore equity shares of ₹10/- each) by creating an additional 1 crore equity shares of ₹10/- each.

Further, with the approval of shareholders, the Company issued 1,65,38,320 fully paid-up Bonus Equity Shares of ₹10/- each, aggregating to ₹16.54 crore, in the ratio of 4:1 (four fully

paid-up equity shares for every one equity share held), by capitalizing amounts from retained earnings. These Bonus Shares carry the same voting rights and rank pari passu in all respects with the existing equity shares.

For shareholders holding shares in dematerialized form, the Bonus Shares were credited directly to their respective demat accounts, while physical share certificates were issued within prescribed timelines. No fractional entitlements arose from the bonus issue; any fractions were ignored and rounded down to the nearest integer.

Post these changes, the Issued, Subscribed, and Paid-up Share Capital of the Company stands at ₹20,67,29,000, divided into 2,06,72,900 equity shares of ₹10/- each, as on March 31, 2025.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, there was no change in the composition of the Board of Directors.

Ms. Nidhi Varun Kumar resigned from the position of Company Secretary of the Company with effect from January 3, 2025.

Subsequently, the Board appointed Ms. Pooja as the Company Secretary and Compliance Officer at the board meeting held on January 4, 2025.

Further, none of the Directors are disqualified from being appointed or re-appointed as Directors of the Company in terms of the provisions of Section 164 of the Companies Act, 2013.

## **CHANGE IN NATURE OF BUSINESS**

During the financial year ended March 31, 2025, there were no changes in the nature of the Company's business activities. The operations continued to align with the core objectives and strategic direction established by the Board, ensuring stability and consistency in our business model.

## **ANNUAL RETURN**

In compliance with Section 92 and Section 134 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company in Form MGT-7 is available on the Company's website at [www.clara.co.in](http://www.clara.co.in).

## **GENERAL RESERVES**

In accordance with applicable Accounting Standards, the Profit After Tax has been retained under the 'Reserve & Surplus' section. Accordingly, no amount has been transferred to the General Reserve during the financial year.

## **BOARD EVALUATION**

The Board of Directors conducted its annual performance evaluation in accordance with the provisions of the Companies Act, 2013. This comprehensive evaluation covered the performance of the Board as a whole, its various Committees, and individual Directors. Inputs were sought from all Directors based on defined criteria, including the Board's

composition and structure, the effectiveness of its processes, quality of information shared, and overall functioning.

Based on the feedback and analysis, the Board concluded that its performance during the year was effective and aligned with the evaluation framework, supporting the Company's growth-oriented objectives. The Committees were also found to be functioning independently and efficiently, fulfilling their roles as mandated under the Act.

Furthermore, each Director discharged their duties and responsibilities diligently, as prescribed under the Companies Act, 2013, and contributed meaningfully through their experience, knowledge, and strategic insights in navigating both opportunities and challenges faced by the Company during the year.

## **PARTICULARS OF REMUNERATION OF DIRECTORS AND OTHER EMPLOYEES**

---

None of the employees of the Company received remuneration in excess of the limits prescribed under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the financial year.

## **PUBLIC DEPOSITS**

---

During the year under review, the Company has not invited or accepted any fixed deposits from the public in accordance with the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, the said provisions are not applicable to the Company.

## **DIVIDEND**

---

During the year under review, the Board of Directors, at its meeting held in June 2024, declared an Interim Dividend of Rs. 20,67,290/- on the Equity Shares of the Company. The said interim dividend has already been paid to the eligible shareholders of the Company.

Further, after considering the Company's performance, the need to conserve resources for future growth, and its long-term expansion plans, the Board of Directors has deemed it prudent not to recommend any final dividend on the Equity Shares for the financial year ended March 31, 2025.

Accordingly, the total dividend distributed during the financial year 2024-25 amounts to Rs. 20,67,290/-, representing the interim dividend declared and paid.

In terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, only the top 1000 listed entities based on market capitalization are required to formulate and adopt a Dividend Distribution Policy. Since the Company does not fall within the said threshold as on March 31, 2024, the requirement to adopt a Dividend Distribution Policy is not applicable to the Company.

## **DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

---

Pursuant to Section 134(3)(d) of the Companies Act, 2013, the Company confirms that it has received necessary declarations from all Independent Directors under Section 149(7) of the Act, affirming that they meet the criteria of independence as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements)



Regulations, 2015 ("SEBI Listing Regulations").

Each Independent Director has submitted a declaration confirming that:

- They continue to fulfill the criteria of independence as specified under Section 149(6) of the Act, read with Schedule IV, and Regulation 16(1)(b) of the SEBI Listing Regulations;
- They are not aware of any circumstances that exist or are anticipated which could impair or impact their ability to discharge duties effectively, as required under Regulation 25(8) of the SEBI Listing Regulations;
- They are not debarred from holding the office of Director pursuant to any SEBI order or the order of any other such authority; and
- There has been no change in circumstances that may affect their status as Independent Directors.

Additionally, all Independent Directors have affirmed compliance with the Code of Conduct prescribed for Independent Directors under Schedule IV of the Act. The Board is of the opinion that all Independent Directors possess the requisite qualifications, expertise, integrity, and proficiency as required under applicable laws and continue to be independent of the management.

### **SEPARATE MEETING OF INDEPENDENT DIRECTOR**

In accordance with Section 149(7) of the Companies Act, 2013, read with Para VII(1) of Schedule IV to the Act and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on March 5, 2024, without the presence of Non-Independent Directors and members of the management.

During the meeting, the Independent Directors, inter alia, reviewed and discussed the following:

- Performance of the Non-Independent Directors and the overall functioning of the Board;
- Performance of the Chairman of the Company, taking into account the views of both Executive and Non-Executive Directors; and
- The quality, quantity, and timeliness of the flow of information between the management and the Board, which is essential for the Board to discharge its functions effectively.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS**

All contracts, arrangements, and transactions entered into by the Company with related parties during the financial year 2024-25 were in the ordinary course of business and conducted at arm's length. The Company did not enter into any material related party transactions, as defined under its Related Party Transactions Policy ("RPT Policy"), during the year. Accordingly, the disclosure in Form AOC-2 is not applicable. All applicable related party transactions were duly reviewed and approved by the Audit Committee and the Board, as required. Disclosures pursuant to Ind AS-24 on Related Party Transactions have been provided in the notes to the standalone financial statements.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

During the financial year ended March 31, 2025, the Company did not make any loans,

provide any guarantees, or make any investments as specified under Section 186 of the Companies Act, 2013 and the rules made thereunder.

## **SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES**

During the year under review, the Company did not have any subsidiary, joint venture, or associate company as defined under the Companies Act, 2013.

## **CORPORATE SOCIAL RESPONSIBILITY**

In compliance with Section 135 of the Companies Act, 2013, the Company has a duly constituted CSR Committee comprising Mr. Avdesh Kamboj (DIN: 09526364) as Chairperson, Mrs. Parry Kukreja (DIN: 06649401), and Mr. Manmohan Singh (DIN: 07790507) as Members. The Committee's terms of reference are provided in the Corporate Governance Report, and the CSR Policy is available on the Company's website at: CSR Policy.

The Company views social responsibility as an integral part of its business and strives to deploy its CSR budget for the benefit of society and the environment. For FY 2024-25, based on the average net profits of FY 2021-22, 2022-23, and 2023-24, the prescribed CSR spend was ₹8.67 lakh. Out of this, the Company spent ₹6.32 lakh during the year in line with the recommendations of the CSR Committee and the approval of the Board. The unspent amount of ₹2.35 lakh was subsequently utilized in accordance with Schedule VII of the Act, by contributing to the Prime Minister's National Relief Fund (PMNRF).

The Annual Report on CSR activities for FY 2024-25 is annexed as Annexure B and forms part of this Report.

## **CORPORATE GOVERNANCE**

The Company, being listed on the Small and Medium Enterprise (SME) Platform, is exempt from the provisions of Corporate Governance as stipulated under Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, no Corporate Governance Report is provided in this Annual Report. Nevertheless, the Company voluntarily adheres to the majority of the prescribed corporate governance practices.

## **TRANSFER TO RESERVES**

The Board of Directors has decided to retain the entire profit for the financial year 2024-25 in the Statement of Profit and Loss as at March 31, 2025.

## **CREDIT RATING**

During the year under review, the Company did not have any outstanding instruments requiring a credit rating.

## **BOARD MEETINGS**

During the year under review, the Board of the Company convened meetings on May 25, 2024; June 6, 2024; June 12, 2024; July 8, 2024; September 16, 2024; November 14, 2024; December 30, 2024; January 3, 2025; January 4, 2025; February 10, 2025; March 5, 2025; and March 8, 2025. The interval between any two consecutive meetings did not exceed the limit of one hundred and twenty days, in compliance with Section 173 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations.

## DIRECTOR'S ATTENDANCE RECORD

The last Annual General Meeting was held on September 29th 2024. The attendance record of the Directors at the Board Meeting during the year ended on March 31, 2025, and at the last Annual General Meeting is as under:

| Name of Directors       | Number of Board Meetings Attended During The Year | Whether Attended Last Annual General Meeting |
|-------------------------|---------------------------------------------------|----------------------------------------------|
| Mr. Nikhil Kukreja      | 12 out of 12                                      | Yes                                          |
| Ms. Parry Kukreja       | 12 out of 12                                      | Yes                                          |
| Ms. Priyanka Mediratta  | 10 out of 12                                      | Yes                                          |
| Mr. Avdesh Kumar Kamboj | 12 out of 12                                      | Yes                                          |
| Mr. Man Mohan Singh     | 12 out of 12                                      | Yes                                          |

## BOARD COMMITTEES

In accordance with SEBI (Listing Obligations and Disclosure Requirements), 2015, provisions on Corporate Governance the Board of Directors of the Company had constituted following Committees. The details are as under:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Shareholder's & Investor's Grievance Committee
4. Internal Complaint Committee
5. Corporate Social Responsibility (CSR) Committee

The composition of various committees are as follows:

### AUDIT COMMITTEE

The terms of reference of the Audit Committee are as per the guidelines set out in the Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the stock exchanges read with Section 177 of the Companies Act, 2013. The detail of the Committee is as follows:

| Members                 | DIN and Membership No. | Designation |
|-------------------------|------------------------|-------------|
| Mr. Avdesh Kumar Kamboj | 09526364               | Chairman    |
| Mr. Man Mohan Singh     | 07790507               | Member      |
| Mr. Nikhil Kukreja      | 06649387               | Member      |

### NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company has constituted a Nomination & Remuneration Committee, as per the provisions of Section 178 of the Companies Act, 2013 and Regulation

19 of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, with the object of Remuneration & Nomination Committee is to recommend / review the remuneration of Managing Directors / Wholetime Directors. The remuneration policy of the Company is directed towards rewarding performance and attracting new talents / retaining them. While deciding the remuneration, the Committee considers the financial position of the Company, trend in the Industry, Appointee's qualification, experience, past performance, past remuneration etc.

| Members                 | DIN and Membership No. | Designation |
|-------------------------|------------------------|-------------|
| Mr. Man Mohan Singh     | 09526364               | Chairman    |
| Mr. Avdesh Kumar Kamboj | 07790507               | Member      |
| Ms. Priyanka Mediratta  | 00494136               | Member      |

### STAKEHOLDER'S RELATIONSHIP AND INVESTOR'S GRIEVANCE COMMITTEE

The Committee is in charge of looking after grievances of Investors and Shareholders. The details of the committee is as follows:

| Members                 | DIN and Membership No. | Designation |
|-------------------------|------------------------|-------------|
| Mr. Avdesh Kumar Kamboj | 09526364               | Chairman    |
| Mr. Man Mohan Singh     | 07790507               | Member      |
| Mr. Nikhil Kukreja      | 06649387               | Member      |

### INTERNAL COMPLAINT COMMITTEE

The Committee is in charge of looking after grievances of internal complaints of the company. The details of the Committee is as follows:

| Members                 | Designation |
|-------------------------|-------------|
| Ms. Parry Kukreja       | Chairman    |
| Ms. Pooja               | Member      |
| Mr. Rakesh Kumar Pal    | Member      |
| Mr. Vidya Bhushan Tyagi | Member      |

### CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Committee is in charge of looking after all the CSR activities of the company. The details of the Committee is as follows:

| <b>Members</b>          | <b>DIN and Membership No.</b> | <b>Designation</b> |
|-------------------------|-------------------------------|--------------------|
| Mr. Avdesh Kumar Kamboj | 09526364                      | Chairman           |
| Ms. Parry Kukreja       | 06649401                      | Member             |
| Mr. Man Mohan Singh     | 06649387                      | Member             |

## **STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 ("the Act") read with the rules made thereunder, M/s. Gupta Agarwal & Associates, Chartered Accountants (Firm Registration No. 329001E), were appointed as the Statutory Auditors of the Company at the 1st Annual General Meeting ("AGM") held on September 30, 2022, for a term of five years, commencing from the Financial Year 2022-23 up to the conclusion of the AGM of the Company to be held in the year 2027.

The Statutory Auditors have issued their report on the financial statements of the Company for the Financial Year ended March 31, 2024. The report forms an integral part of this Annual Report. The observations made in the Auditor's Report, if any, are self-explanatory and do not call for further comments. The Auditor's Report does not contain any qualification, reservation, or adverse remark.

## **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed M/s. Verma Ashish & Co. (Peer Reviewed Firm) (Membership No. 59867) to conduct the Secretarial Audit of the Company for the Financial Year 2024-25. The Secretarial Audit Report for the Financial Year ended March 31, 2025, is annexed herewith as Annexure - A to this Report. The Report does not contain any qualification, reservation, adverse remark, or disclaimer for the period under review.

## **MAINTENANCE OF COST RECORDS**

The maintenance of cost records as prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 is not applicable to the Company, as its business activities do not fall within the categories specified under the said provisions.

## **REPORT ON FRAUDS U/S 143 (12) OF THE COMPANIES ACT, 2013**

During the year under review, the Statutory Auditors and the Secretarial Auditor have not reported any instances of fraud committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Act. Accordingly, no disclosure is required under Section 134(3)(ca) of the Act.

## **MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF FINANCIAL YEAR**

Except as disclosed elsewhere in this Annual Report, there have been no material changes or commitments affecting the financial position of the Company between the end of the financial year 2024-25 and the date of signing of this Report.



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## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

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In accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013, read with the applicable rules, the particulars relating to conservation of energy and technology absorption are not furnished, as the nature of the Company's operations during the year under review does not necessitate such disclosures. Further, the Company has not entered into any technology transfer agreement, nor were there any foreign exchange earnings or outgo during the financial year.

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## INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

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During the year under review, the provisions of Section 125(2) of the Companies Act, 2013 were not applicable to the Company, as no amount was required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has designated its Company Secretary as the *Nodal Officer* for all IEPF-related matters.

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## SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

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During the year under review, no significant or material orders were passed by regulators, courts, or tribunals which could impact the going concern status of the Company or its future operations.

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## RISK MANAGEMENT

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The Company has formulated and implemented a Risk Management Policy to identify the risks associated with its business and to outline measures for their mitigation. A structured framework is in place for risk management, which includes the identification, analysis, and assessment of potential risks, evaluation of their probable impact, and formulation as well as implementation of appropriate mitigation strategies. While it is not possible to eliminate all business risks entirely, the Company endeavours to minimize their impact on its operations to the extent feasible.

The Company is not mandatorily required to constitute a Risk Management Committee. However, the Board of Directors and the Audit Committee periodically review and evaluate the effectiveness of the Company's risk management system.

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## INTERNAL CONTROL SYSTEMS INCLUDING INTERNAL FINANCIAL CONTROLS

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The Company has established an adequate internal control system, commensurate with the size, scale, and complexity of its operations. These controls are designed to provide reasonable assurance regarding the accuracy and reliability of financial and operational information, compliance with applicable laws and regulations, safeguarding of assets against unauthorized use, execution of transactions with proper authorization, and adherence to corporate policies. During the year under review, no material weaknesses or significant observations were reported with respect to the adequacy or effectiveness of such internal controls.

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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As required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms a separate section of this Annual Report. It provides detailed insights into the industry structure and developments, financial and operational performance, and other material developments during the financial year under review.

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## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In accordance with Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy as part of its vigil mechanism. The policy provides a secure avenue for Directors and employees to report concerns regarding any actual or suspected violation of the Company's code of conduct, business principles, or applicable laws.

The vigil mechanism ensures adequate safeguards against victimization of individuals who raise concerns and also provides for direct access to the Chairperson of the Audit Committee in exceptional circumstances. The Company Secretary has been designated as the officer responsible for the effective implementation of the policy and for addressing complaints received under it.

During the year under review, no complaints were reported under the vigil mechanism.

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## **CODE OF CONDUCT**

The Company has adopted a Code of Conduct pursuant to Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, to regulate, monitor, and report trading by Designated Persons. The Code is aimed at preventing the misuse of Unpublished Price Sensitive Information ("UPSI") by Designated Persons and their immediate relatives.

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## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- the Directors have selected appropriate accounting policies and applied them consistently. They have also made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company, and such controls are adequate and operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws, and such systems are adequate and operating effectively.

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## **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The Company is committed to providing a safe, respectful, and conducive work environment for all its employees and associates. In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has duly constituted an Internal Committee to address complaints, if any.

During the financial year under review, no complaints were received under the said Act.

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## **COMPLIANCE WITH SECRETARIAL STANDARDS**

During the financial year under review, the Company has complied with the applicable Secretarial Standards on Board Meetings (SS-1) and General Meetings (SS-2) issued by the

Institute of Company Secretaries of India, in accordance with Section 118 of the Companies Act, 2013.

## **ANY PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

There are no proceedings initiated or pending against the Company under the Insolvency and Bankruptcy Code, 2016 which may have any material impact on the business or operations of the Company.

## **HUMAN RESOURCE MANAGEMENT**

The Management of Clara Industries Limited recognizes that its workforce is the most valuable asset and a key driver of the Company's success. With an employee-centric approach, the Company is committed to providing a secure, inclusive, and stimulating workplace that enhances productivity and fosters professional growth.

The Company continually invests in its employees by upgrading skills, refining expertise, and nurturing leadership abilities through relevant learning and development programs. Diversity within the workforce is valued, and the Company strives to leverage it as a strength to enhance corporate capabilities.

Management actively promotes teamwork and a self-motivated work culture that encourages comprehensive employee development. To reinforce its human capital and attract, nurture, and retain exceptional talent, Clara Industries Limited has established robust human resource policies designed to foster a positive and growth-oriented work environment.

## **BOARD OF DIRECTORS**

The Board of Directors of Clara Industries Limited comprises highly accomplished professionals with diverse expertise and extensive industry experience, contributing effectively to the Company's strategic growth and governance framework. The composition of the Board is fully compliant with the provisions of the Companies Act, 2013, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's Articles of Association, and other applicable laws, while adhering to best governance practices.

As of March 31, 2025, the Board consisted of five (5) Directors:

- One (1) Managing Director
- One (1) Executive Director
- One (1) Non-Executive Director
- Two (2) Independent Directors

The Chairperson of the Board is a Promoter Executive Director, and none of the Non-Executive Directors were involved in the day-to-day operations of the Company during the year under review.

At Clara Industries, we believe that a well-diversified and competent Board fosters a culture of responsible leadership, providing long-term vision, strategic guidance, and robust governance standards. The Board plays an active role in evaluating the Company's strategic direction, overseeing management policies, and ensuring their effective implementation. All actions and decisions of the Board remain aligned with the Company's mission, values, and stakeholder interests.





| Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original Date of Appointment, Change in Designation and Term                                                                         |                                                                                                                                                                                                                                                                                                                                     | Other Directorships in Companies |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| <b>Name:</b><br><b>Designation:</b><br><b>DIN:</b><br><b>Date of Birth:</b><br><b>Age:</b><br><b>Occupation:</b><br><b>Address:</b><br><b>Nationality:</b><br><b>Original Date of Appointment:</b><br><b>Term:</b> | Mr. Man Mohan Singh<br>Independent Director<br>07790507<br>January 25, 1945<br>79 Years<br>Business<br>16 Bharat Vatika, Opp Transport Nagar, Dehradun Road, Saharanpur, Uttar Pradesh-247001, India<br>Indian<br>September 28, 2021<br>Appointed as Independent Director with effect from September 28, 2021 to September 27, 2026 |                                  |
| <b>Name:</b><br><b>Designation:</b><br><b>DIN:</b><br><b>Date of Birth:</b><br><b>Age:</b><br><b>Occupation:</b><br><b>Address:</b><br><b>Nationality:</b><br><b>Original Date of Appointment:</b><br><b>Term:</b> | Mr. Avdesh Kumar Kamboj<br>Independent Director<br>09526364<br>January 2, 1987<br>39 Years<br>Business<br>6/302, Brijvihar, Bhuteswar Mandir Road, Saharanpur, Uttar Pradesh-247001, India<br>Indian<br>September 28, 2023<br>Appointed as Independent Director with effect from September 28, 2023 to September 27, 2028           |                                  |

## CAUTIONARY STATEMENT

This Report contains forward-looking statements relating to the Company's objectives, projections, and expectations, which may differ materially from actual results due to economic conditions, market fluctuations, and changes in Government policies or regulations. The Company assumes no obligation to update or revise such statements in light of future developments.

## ACKNOWLEDGEMENT

Your Directors express their sincere gratitude to the Ministry of Corporate Affairs and other Central and State Government authorities for their guidance and support. The Board also places on record its deep appreciation for the dedicated efforts of the Company's employees at all levels, whose commitment has been integral to the Company's performance and growth. Further, your Directors thank the Company's clients, vendors, bankers, and advisors for their continued trust and support.

In conclusion, your Directors thank the members of the Company for their continued support and confidence, and look forward to your ongoing patronage in achieving greater success.

For and on behalf of the Board of Directors  
Sd/-

**Parry Kukreja**

Managing Director

DIN: 06649401

Place : Saharanpur

Date : September 06 , 2025



## FORM NO. AOC-2

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

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

Details of contracts or arrangements or transactions not at arm's length basis: There were no contracts or arrangements or transactions that were not entered at arm's length basis

|    |                                                                                           |      |
|----|-------------------------------------------------------------------------------------------|------|
| 1. | Name (s) of the related party & nature of relationship                                    | N.A. |
| 2. | Nature of contracts / arrangements / transaction                                          | N.A. |
| 3. | Duration of the contracts / arrangements / transaction                                    | N.A. |
| 4. | Salient terms of the contracts or arrangements or transaction including the value, if any | N.A. |
| 5. | Justification for entering into such contracts or arrangements or transactions'           | N.A. |
| 6. | Date of approval by the Board                                                             | N.A. |
| 7. | Amount paid as advances, if any                                                           | N.A. |

Details of material contracts or arrangement or transactions at arm's length basis:

| Sr. No. | Particulars                                                                 | Details                  |
|---------|-----------------------------------------------------------------------------|--------------------------|
| (a)     | Name (s) of the related party & nature of relationship                      |                          |
| (b)     | Nature of contracts / arrangements / transaction                            | As per "Annexure 1" of   |
| (c)     | Duration of the contracts / arrangements / transaction                      | Notes to Financial       |
|         | Salient terms of the contracts or arrangements or transaction including the | Statements on            |
| (d)     | value, if any                                                               | Standalone basis for the |
| (e)     | Date(s) of approval by the Board, if any:                                   | year ended March 31,     |
|         |                                                                             | 2025                     |
| (f)     | Amount paid as advances, if any                                             |                          |

By Order of the Board of Directors  
For Clara Industries Limited

Sd/-  
**Parry Kukreja**  
Managing Director  
DIN: 06649401

Place : Saharanpur  
Date : September 06 , 2025

# **FORM NO. MR-3**

## **SECRETARIAL AUDIT REPORT**

### **FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2025**

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

Date: 06/09/2025

Ref: SA/01/2024-25/CLARA

To,

The Members,

**Clara Industries Limited**

CIN: L25209UP2021PLC151537

127/1 Gram Simbhalka Junardar Paragana

Tehsil and District Saharanpur,

Saharanpur, Uttar Pradesh 247001

**Dear Sir/ Madam,**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by Clara Industries Limited (CIN: L25209UP2021PLC151537) (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities, 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, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2025, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to reporting made hereinafter:

I herewith report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test check basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2025, as per the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (not applicable during the period of audit);
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under

(to the extent applicable to the Company);

4.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;

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

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;

6.Other specifically applicable laws of the Company during the period under review:

- Income Tax Act, 1961;
- Good and Services Tax, 2017;
- Indian Contract Act, 1872;
- Information Technology Act, 2000;
- The Environment Protection Act, 1986;
- Trademark Act, 1999;
- Factories Act, 1948.

**We have also examined compliance with the applicable clauses of the following:**

- 1.Secretarial Standards issued by The Institute of Company Secretaries of India.
- 2.The Listing Agreements entered into by the Company with The Bombay Stock Exchange or Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations,2015;

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

**We further report that**

- 1.The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

There has been following notable changes in the constitution of Board during the year under review i.e. Financial Year 2024-2025.

2. Ms. NIDHI VARUN KUMAR having Membership No. 28283 was resigned as Company Secretary and Compliance Officer with effect from January 3, 2025.
3. Ms. Pooja having Membership No. 36167 was appointed as Company Secretary and Compliance Officer with effect from January 4, 2025.  
None of the Directors of the Company is disqualified for being appointed / re-appointed as directors of the company as per the provisions of Section 164 of the Companies Act, 2013.
4. As per the Information provided by the management, adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
5. All the decisions in the board meetings were carried through by majority while there were no dissenting member's views and hence not captured and recorded as part of the minutes.

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

**I further report that during the audit period the company has Conducted following businesses during the financial year under review:**

1. The Company approved the increase in its Authorised Share Capital and the consequential amendment to the Memorandum of Association.
2. The Company increased its Authorised Share Capital through an Ordinary Resolution passed at the Extra-Ordinary General Meeting held on June 19, 2024.
3. The approval for issuance of Bonus Shares by way of capitalisation of reserves was accorded by the Members at the Extra-Ordinary General Meeting held on June 19, 2024.
4. The Company declared and paid an Interim Dividend of ₹0.50 per equity share (i.e., 5%) on fully paid-up equity shares of ₹10/- each. The record date for the said dividend was June 6, 2024.

The opinion given by CS ASHISH VERMA Prop of M/s. Verma Ashish & Co., Company Secretary in practice and examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

I further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations / Guidelines as covered under MR-3:

- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

Based on the aforesaid information and explanation provided by the Officers and Employees of the Company and based on test checking made by us, we report that during the financial year under review, the Company has substantially complied with the provisions of the above-mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Standards etc. Save and except below we have not found material observation / instances of material non-Compliance in respect of the same.

FOR VERMA ASHISH & CO.  
Company Secretary

**CS ASHISH VERMA**

Prop.

ACS: 59867

C.P.: 22530

PRC 2331/2022

UDIN: 059867F001169448

Place : Saharanpur  
Date : September 06 , 2025



## “ANNEXURE A”

Date: 06/09/2025

Ref: SA/01/2024-25/CLARA

To,

The Members,

**Clara Industries Limited**

CIN: L25209UP2021PLC151537

127/1 Gram Simbhalka Junardar Paragna

Tehsil and District Saharanpur,

Saharanpur, Uttar Pradesh 247001

**Dear Sir/ Madam,**

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 our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained Management representation external opinion from Independent Professional Company Secretary in practice about the compliance of laws, rules and regulations and occurrence of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
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 VERMA ASHISH & CO.  
Company Secretary

**CS ASHISH VERMA**

Prop.

ACS: 59867

C.P.: 22530

PRC 2331/2022

UDIN: 059867F001169448

Place : Saharanpur

Date : September 06 , 2025

# CFO CERTIFICATION

To,

The Board of Directors  
Clara Industries Limited

I, Nikhil Kukreja, the Chief Financial Officer (CFO) of the Company, do hereby certify to the Board that:

1. We have reviewed the financial statements and the cash flow statement for the year ending 31st March, 2025, and to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and confirm that we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware, and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Clara Industries Limited

Sd/-

**Nikhil Kukreja**

Chief Financial Officer

DIN: 06649387

Place : Saharanpur

Date : September 06 , 2025

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR ENDING MARCH 31, 2025

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

### 1. Brief Outline on the Corporate Social Responsibility (CSR) Policy of the Company

The Corporate Social Responsibility Policy of the Company reflects its commitment to sustainable development by integrating economic, environmental, and social imperatives. It recognizes the interests of all stakeholders while enhancing the goodwill and long-term value of the Company.

In alignment with the provisions of the Companies Act, 2013, and rules notified thereunder, the CSR Policy of the Company outlines the following focus areas:

1. Education and Skill Development – Promoting education and enhancing vocational skills, particularly among children, women, and differently-abled persons.
2. Health Care – Promoting healthcare initiatives, including preventive and rehabilitative facilities.
3. Poverty and Malnutrition – Fighting against hunger, poverty, and malnutrition.
4. Rural Development – Facilitating rural development and supporting slum area upliftment.

The CSR Committee also has the authority to recommend and undertake any other CSR activities permitted under Schedule VII of the Companies Act, 2013, as amended from time to time.

To ensure a structured and impactful approach, the Board of Directors has approved a CSR Policy that provides a framework for effectively meeting the Company's social responsibility objectives and delivering optimum benefits to deserving sections of society.

### 2. Composition of CSR Committee

As on March 31, 2024, the composition of the Corporate Social Responsibility Committee of the Company is as follows:

| Members                 | Designation/ Nature of Directorship/ Chairperson | Number of meetings of CSR Committee |                          |
|-------------------------|--------------------------------------------------|-------------------------------------|--------------------------|
|                         |                                                  | Held during the year                | Attended during the year |
| Mr. Avdesh Kumar Kamboj | Independent Director- Chairperson                | 3                                   | 3                        |
| Mr. Man Mohan Singh     | Independent Director- Member                     | 3                                   | 3                        |
| Ms. Parry Kukreja       | Director- Member                                 | 3                                   | 3                        |

### 3. Web-link(s) where the Composition of the CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

- Composition of CSR Committee: [Click Here](#)
- CSR Policy: [Click Here](#)
- CSR Projects approved by the Board: [Click Here](#)

**4. Executive Summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:** Not Applicable

**5. Financial Details of CSR Obligation**

**(a) Average net profit of the Company as per sub-section (5) of Section 135:**

₹419.67 lakh

**(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135:** ₹8,66,946.75

**(c) Surplus arising out of CSR Projects or programmes or activities of the previous financial years:** Nil

**(d) Amount required to be set-off for the financial year, if any:** Nil

**(e) Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹8,66,946.75

**6. Details of CSR Spend for the Financial Year**

**(a) Amount spent on CSR Project (both ongoing projects and other than ongoing projects):** ₹8,66,946.75

**(b) Amount spent on Administrative Overheads:** Nil

**(c) Amount spent on Impact Assessment, if applicable:** Not Applicable

**(d) Total amount spent for the Financial Year (6a+6b+6c):** ₹8,66,946.75

**(e) CSR amount spent or unspent for the Financial Year:**

| Total Amount Spent for the Financial Year (in Rs.) | Amount Unspent (in Rs.)                                                              |                  |                                                                                                                    |           |                  |
|----------------------------------------------------|--------------------------------------------------------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------|-----------|------------------|
|                                                    | Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135 |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to subsection (5) of section 135 |           |                  |
|                                                    | Amount                                                                               | Date of Transfer | Name of the fund                                                                                                   | Amount    | Date of Transfer |
| ₹8,66,946.75                                       | Nil                                                                                  | Not Applicable   | PMNRF                                                                                                              | ₹2,35,000 | 05-09-2025       |

**(f) Excess amount for set-off, if any:**

| Particulars                                                                                      | Amount (in Rs.) |
|--------------------------------------------------------------------------------------------------|-----------------|
| Two percent of average net profit of the Company as per sub-section (5) of Section 135           | ₹8,66,946.75    |
| Total amount spent for the Financial Year                                                        | ₹8,66,946.75    |
| Excess amount spent for the Financial Year                                                       | Nil             |
| Surplus arising out of CSR Projects or programmes or activities of the previous financial years: | Nil             |
| Amount available for set off in succeeding Financial Years                                       | Nil             |

**7. Details of Unspent CSR amount for the preceding three financial years:**

| Preceding Financial Years | Amount transferred to Unspent CSR Account under Section 135 (6) | Balance Amount in Unspent CSR Account under Section 135 (6) | Amount spent in the reporting Financial Year | Amount transferred to any fund specified under Schedule VII as per section 135(5), if any |                 |                  | Amount remaining to be spent in succeeding financial years |
|---------------------------|-----------------------------------------------------------------|-------------------------------------------------------------|----------------------------------------------|-------------------------------------------------------------------------------------------|-----------------|------------------|------------------------------------------------------------|
|                           |                                                                 |                                                             |                                              | Name of the fund                                                                          | Amount (in Rs.) | Date of transfer |                                                            |
| 2023-24                   | NA                                                              | Nil                                                         | Nil                                          | NA                                                                                        | Nil             | NA               | Nil                                                        |
| 2022-23                   | NA                                                              | Nil                                                         | Nil                                          | NA                                                                                        | Nil             | NA               | Nil                                                        |
| 2021-22                   | NA                                                              | Nil                                                         | Nil                                          | NA                                                                                        | Nil             | NA               | Nil                                                        |

**8. Capital Assets Created/Acquired through CSR Spend**

- **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No
- **Details of such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** Not Applicable

**9. Reason(s) for not spending two per cent of the average net profit as per sub-section (5) of section 135:** Not Applicable

For Clara Industries Limited

Sd/-  
**Avdesh Kumar Kamboj**  
CSR Committee Chairperson

Sd/-  
**Parry Kukreja**  
Managing Director

Place : Saharanpur  
Date : September 06 , 2025



# MANAGEMENT DISCUSSION & ANALYSIS

## **BUSINESS OVERVIEW**

Clara Industries Limited has built its identity as a reliable and forward-looking organization in the packaging and allied industries. Over the years, the Company has steadily expanded its expertise across multiple business verticals including packaging films, flexible packaging, PP mats, recycled granules, self-adhesive tapes, horticulture bags, and food wraps. This diversification is not just a measure of scale, but of strength, allowing Clara Industries to serve varied consumer and industrial needs while maintaining its focus on quality and innovation.

The Company's journey has been defined by resilience and adaptability. From modest beginnings, Clara Industries has consistently aligned itself with market shifts, technological changes, and evolving customer expectations. Its emphasis on maintaining product integrity and environmental responsibility has allowed it to become a trusted partner for businesses and households alike. Today, the Company stands as a name synonymous with both reliability and progressive thinking in the packaging domain.

The legacy of Clara Industries is deeply rooted in the values of commitment, quality, and long-term vision. It has always believed that growth is not merely reflected in numbers but also in the ability to sustain trust across generations of stakeholders. This guiding principle has ensured that even in years marked by challenges, Clara Industries has remained steadfast in delivering value. The Company's reputation is a result of years of consistent effort, strong governance, and a belief in doing business responsibly.

Looking ahead, Clara Industries continues to build on this foundation, not by simply adding to its scale but by strengthening its contribution to the industries it serves and the communities around it. The legacy it carries is not just of past achievements, but of a vision to create enduring value, resilience, and responsible growth in the years to come.

Clara Industries Limited operates through a diverse portfolio of businesses that together form the foundation of its growth and resilience. Each segment complements the others, enabling the Company to remain balanced even in times of market volatility. By catering to both industrial and household needs, Clara Industries has built an ecosystem that combines large-scale manufacturing with consumer-centric innovation.

The packaging films business has remained at the heart of operations, serving as the backbone for several industries that rely on safe and efficient packaging solutions. With continuous improvements in quality standards and technology adoption, Clara Industries has established itself as a dependable supplier in this highly competitive segment. The products emerging from this vertical are not only essential to the functioning of multiple value chains but also act as a bridge that connects manufacturers with consumers across regions.

The flexible packaging business is another important arm, designed to address the rising demand for versatile and durable packaging. In an environment where product presentation, protection, and sustainability matter equally, Clara Industries has positioned its solutions as reliable and innovative. This business has

given the Company the agility to respond quickly to market requirements while also ensuring that it contributes meaningfully to the modern consumer experience.

The Company's presence in PP mats reflects its philosophy of addressing both functional and lifestyle needs. What began as a simple consumer good has grown into a category with increasing relevance, particularly in households and institutions. Clara Industries has managed to transform this everyday utility product into one that carries the hallmark of quality and trust. The strength of this segment lies in its ability to reach diverse markets and maintain relevance across a wide demographic.

In the recycled granules business, the Company underscores its commitment to sustainability and environmental responsibility. By converting post-industrial and post-consumer waste into high-quality raw material, Clara Industries not only reduces dependency on virgin plastics but also contributes to a circular economy. This segment represents the Company's proactive steps towards integrating sustainability with profitability, and its growing importance reflects how future-ready Clara Industries has become.

The self-adhesive tapes division has been built with a focus on performance and convenience. These products have found applications across industries, households, and offices, making them an essential utility with a wide reach. By ensuring consistency and durability in this segment, the Company has created a line of products that have become indispensable in day-to-day operations of both businesses and consumers.

The horticulture bags segment, though specialized, holds significant promise given the increasing focus on agriculture and green practices. Clara Industries has positioned itself as a responsible contributor to the agricultural economy by providing solutions that enhance farming efficiency and sustainability. This business reflects the Company's vision of aligning

growth with broader societal and environmental goals.

The food wrap business represents one of the Company's strongest consumer-facing endeavours. By offering safe, hygienic, and innovative wrapping solutions, Clara Industries has been able to connect directly with households and food businesses. This segment also highlights the Company's ability to combine functionality with health and environmental considerations, creating a product line that resonates with modern lifestyles.

Together, these diverse business segments demonstrate the breadth and depth of Clara Industries Limited. Each vertical brings its own strengths and opportunities, while collectively they create a synergy that underpins the Company's stability and progress. This diversity has been one of the strongest reasons for Clara Industries' resilience and growth, ensuring that the Company is not defined by a single market but by a portfolio of opportunities that continue to evolve with time.

The strength of Clara Industries lies in its robust manufacturing infrastructure, which continues to evolve with the demands of the market. Our facilities are equipped with advanced machinery and technology, enabling us to maintain consistent quality, optimize efficiency, and scale production in line with customer requirements. Over the years, we have built a reputation for precision and reliability in our operations, ensuring that every product leaving our plants reflects the highest standards of craftsmanship and compliance.

A significant aspect of our manufacturing philosophy is the emphasis on sustainability and process optimization. By investing in energy-efficient equipment, implementing waste reduction practices, and promoting recycling initiatives within our operations, we aim to align our production processes with global benchmarks of environmental responsibility. Our in-house quality control systems are designed to monitor every

stage of production, from sourcing of raw materials to the final product, ensuring adherence to both domestic and international quality norms.

The versatility of our manufacturing capabilities allows us to serve a diverse range of sectors, from packaging films and flexible packaging to specialized segments such as self-adhesive tapes, recycled granules, horticulture bags, and food wraps. This integrated approach not only reduces dependency on external resources but also provides us with greater flexibility to innovate and customize solutions for our clients.

Our ability to adapt capacity to market dynamics has been an important driver of growth. Even during periods of volatility in raw material pricing and supply chain disruptions, the resilience of our operations has enabled us to sustain production and deliver on commitments. The expansion of our production lines over the years has enhanced our efficiency and improved turnaround times, allowing us to meet increasing volumes without compromising on quality.

At Clara Industries, we view our manufacturing capabilities not just as a means of production, but as a core strength that defines our competitiveness. The continuous pursuit of technological advancement, combined with an unwavering focus on quality and sustainability, positions us to serve evolving customer needs and drive long-term growth.

At Clara Industries, research and innovation remain at the heart of our growth journey. The company has always recognized that long-term success is determined not only by operational efficiency but also by the ability to anticipate market shifts and create solutions that address emerging needs. Guided by this philosophy, our approach to research and product development is built on continuous improvement, customer-centricity, and sustainability.

The packaging and allied industries are undergoing rapid transformation, driven by changing consumer lifestyles, rising awareness of environmental concerns, and evolving regulatory frameworks. In response, we have aligned our research priorities with the twin objectives of functionality and responsibility. Our teams focus on developing products that are lighter, stronger, and more versatile while simultaneously reducing environmental impact through the use of recyclable and eco-friendly materials. By doing so, we create offerings that not only meet customer requirements but also contribute positively to the larger ecosystem.

A key area of innovation has been the enhancement of material performance to ensure durability, safety, and cost efficiency. Through rigorous testing, process optimization, and investment in advanced technologies, we continue to improve the barrier properties, flexibility, and shelf-life characteristics of our products. This commitment enables our solutions to find application across diverse sectors ranging from food and consumer goods to agriculture and industrial uses.

Equally important is the role of product development in maintaining our competitive edge. Our teams work closely with customers to understand their unique requirements and co-create solutions that provide measurable value. This collaborative approach has enabled us to build long-standing partnerships and gain recognition as a trusted solutions provider. Innovation, therefore, is not viewed as an isolated function but as a collaborative process where customer feedback, market insights, and technical expertise converge. In recent years, our research has also placed significant emphasis on process efficiency and sustainability. We continue to explore alternatives that minimize waste, reduce energy consumption, and support the transition to a circular economy. The development of products from recycled granules and our investments in eco-conscious packaging solutions stand as

testaments to this focus.

Clara Industries envisions innovation as a continuous journey rather than a destination. By nurturing a culture of curiosity and encouraging our teams to push boundaries, we aim to deliver products that not only address today's needs but also anticipate tomorrow's possibilities. Our investment in research and product development is therefore both a business strategy and a responsibility—ensuring that we remain relevant, competitive, and aligned with global sustainability imperatives.

Clara Industries has consistently demonstrated resilience and adaptability in its growth journey. Since inception, the Company has advanced steadily by combining entrepreneurial vision with disciplined execution. Each phase of growth has been marked by investments in capabilities, diversification of business verticals, and a commitment to value creation for all stakeholders. Over the years, we have expanded from being a focused packaging player into a diversified enterprise with a presence across packaging films, flexible packaging, recycled granules, self-adhesive tapes, horticulture bags, PP mats, and food wraps. This transition has been achieved through a measured approach that balances opportunity with responsibility.

The year 2024-25 reflects the continuity of this journey. While the broader business environment has remained challenging, Clara Industries has maintained its focus on strengthening core operations and deepening market penetration. Instead of pursuing aggressive expansions, the emphasis has been on consolidating existing capacities, streamlining efficiencies, and enhancing product quality. This approach ensures sustainable growth by building a solid foundation before the next phase of scale-up.

Our expansion strategy continues to be guided by three priorities—diversification, innovation, and sustainability.

Diversification across businesses provides us with resilience against market volatility and helps tap opportunities across industries. Innovation enables us to remain ahead of evolving consumer preferences, while sustainability ensures that our growth is aligned with global environmental and social imperatives. Together, these priorities define a growth model that is balanced and future-ready.

Geographically, the Company is steadily working to expand its footprint within India and across selected international markets. By leveraging our strong manufacturing base and customer relationships, we aim to increase our share in both domestic and export segments. At the same time, we continue to explore strategic collaborations and partnerships that can accelerate growth without diluting focus.

Looking ahead, Clara Industries envisions growth not as an end in itself but as a means to create long-term value. The Company intends to pursue expansion opportunities that complement its existing strengths, deepen customer engagement, and contribute positively to the broader ecosystem. By focusing on measured expansion, operational excellence, and customer-centric innovation, Clara Industries is preparing itself for the next phase of growth—one that is sustainable, scalable, and strategically aligned with the evolving needs of markets and society.

At Clara Industries, our philosophy is anchored in the belief that business growth and societal progress must go hand in hand. We view our role not merely as a manufacturer or supplier, but as a partner in shaping sustainable solutions for the future. Every decision, from product development to customer engagement, is guided by the principle of creating long-term value while upholding responsibility toward people, communities, and the environment. This philosophy has enabled us to build enduring trust and credibility among stakeholders and has shaped the way we conduct our business over the years.



The Company's core values provide the foundation for this philosophy and serve as guiding principles in our journey. Integrity forms the heart of our operations, ensuring transparency, fairness, and accountability in every relationship. Excellence drives us to continuously push boundaries, improve processes, and set benchmarks in quality and service. Innovation inspires us to seek out new ideas and adopt forward-looking approaches that anticipate evolving market needs. Sustainability underscores our commitment to minimizing environmental impact and maximizing resource efficiency. Collaboration reminds us that our success is rooted in partnerships—within teams, with customers, suppliers, and the larger community.

Together, these values form more than just a set of ideals; they define our culture and identity as an organization. They influence the way we innovate, the way we serve our customers, and the way we contribute to the world around us. At Clara Industries, we see our philosophy and values not as aspirations to be achieved someday, but as everyday practices that guide our growth, inspire our people, and shape our future.

## **GLOBAL ECONOMY**

The global economy in 2025 stands at a critical juncture, balancing between structural challenges and emerging signs of stability. According to the International Monetary Fund (IMF), global GDP growth is projected at around 2.8% in 2025, reflecting a moderation from pre-pandemic averages but still indicative of resilience in key markets. While advanced economies face headwinds from tightening financial conditions, geopolitical uncertainties, and subdued trade flows, emerging markets continue to provide momentum with stronger consumption and investment patterns. Softening inflation and gradually easing supply chain disruptions are expected to support a more balanced global growth trajectory in the medium term.

## **GROWTH MOMENTUM**

The world economy is anticipated to expand modestly in 2025, with the IMF projecting global GDP growth at 2.8%. While advanced economies seem likely to deliver around 1.5% growth, emerging economies are expected to outperform, thanks to resilient domestic consumption and public infrastructure spending — many poised to grow at over 4%. India stands out among major economies, with its GDP growth projected at 6.5–6.7% for FY 2024–25. This sustained momentum is being driven by strong private consumption, robust public investments, and a strategic focus on manufacturing, infrastructure, and renewable energy. Such a favourable macroeconomic climate creates a solid backdrop for industries like packaging, which directly benefit from rising demand across consumer and commercial sectors.

## **GLOBAL TRADE TENSIONS**

In early April 2025, the United States implemented a sweeping shift in trade policy, imposing a universal 10% minimum tariff on all imports under the declaration of a 'national emergency' to counter perceived unfair trade practices. This move significantly disrupted global trade flows, with China facing the sharpest impact as tariffs on Chinese goods surged to 145%. In retaliation, China levied steep reciprocal tariffs on U.S. exports, further escalating trade tensions.

The policy shift has heightened cost pressures across industries, disrupted global supply chains, and contributed to financial market volatility. While the U.S. suspended additional tariff hikes for 59 trading partners—including the EU, Canada, Mexico, South Korea, and Vietnam—China remained excluded, intensifying the geopolitical divide.

This realignment underscores a sharp pivot toward protectionism, undermining decades of free-trade agreements and injecting considerable uncertainty into the



global economy, even as it aims to address long-standing trade imbalances.

## **REGIONAL GROWTH TRENDS**

### **UNITED STATES**

The U.S. economy is projected to grow at 1.8% in 2025, a slowdown driven by restrictive monetary policy and escalating trade disruptions. Inflation is expected at around 3%, with tariffs adding nearly one percentage point. Domestic consumption is weakening, while manufacturing faces rising input costs, intensifying growth headwinds.

### **CHINA**

China's growth forecast has been revised down to 4% in 2025 amid softening external demand, internal deleveraging, and a transition toward consumption-driven growth. Inflation remains subdued, with risks of deflation and renewed credit stress in the property sector, which continues to weigh on overall stability.

### **EURO AREA**

Eurozone GDP growth is expected at just 0.8% in 2025, constrained by weak consumption, soft external demand, and ongoing political and energy-related uncertainties. Investor sentiment remains fragile, particularly in Germany and France, dampening prospects for a robust recovery.

### **EMERGING MARKETS & DEVELOPING ECONOMIES (EMDES)**

Growth in EMDEs is moderating, with notable slowdowns in Mexico, South Africa, and Argentina. High debt burdens, currency depreciation, and tighter financing conditions are straining policy flexibility, while reduced investor interest amplifies economic vulnerabilities across these markets.

## **GLOBAL INFLATION OUTLOOK**

According to the IMF's April 2025 World Economic Outlook, global inflation is projected to ease from 6.8% in 2023 to 5.9% in 2024 and further to 4.5% in 2025.

The decline is supported by easing supply chain pressures, softer food and energy prices, and tighter monetary policy in advanced economies. While advanced economies are expected to reach their inflation targets sooner, Emerging Markets and Developing Economies (EMDEs) will continue to face higher price pressures for longer. Core inflation is projected to decline more gradually, reflecting persistent wage and service costs. However, tariff hikes and policy uncertainty pose risks, as higher import costs could slow disinflation and delay price stability.

## **GLOBAL ECONOMIC OUTLOOK**

The global economy is undergoing profound structural shifts, shaped by rapid technological advancements and automation. These changes have enhanced productivity but also contributed to job displacement, wage stagnation, and widening inequality, especially in advanced economies.

While near-term challenges are dominated by geopolitical tensions and rising protectionism, deeper concerns stem from vulnerabilities in interconnected global supply chains. Disruptions caused by tariffs, trade disputes, and other shocks continue to create ripple effects across industries and markets.

Uncertainty around investment, heightened by policy ambiguity and trade frictions, is leading to delayed capital flows, tighter financial conditions, and subdued economic momentum. At the same time, market volatility is intensifying, exposing potential risks to the global financial system as confidence weakens.

Addressing these challenges will require nuanced and coordinated policy responses aimed at strengthening resilience, supporting inclusive growth, and moving beyond binary trade narratives of 'winners and losers' toward broad-based global prosperity.

*(Source: IMF World Economic Outlook, April 2025)*

## **INDIAN ECONOMY**

India's economy grew at 6.5% in FY 2024-25, as per the National Statistics Office's second advance estimates (February 28, 2025), maintaining its momentum despite a challenging global environment. This performance underscores the resilience of India's domestic economic structure and the effectiveness of calibrated policy measures in mitigating external risks such as persistent trade tensions and tariff-related disruptions.

Growth continues to be anchored by strong domestic consumption, with rural demand acting as a crucial buffer against global uncertainties. Robust agricultural output and supportive government initiatives have sustained rural spending. However, sustaining long-term momentum will require revival in both rural and urban demand, particularly amid labor market constraints and inflationary pressures.

Structural reforms, rapid digital adoption, and continued infrastructure investments are strengthening India's macroeconomic fundamentals. Yet, additional reforms are essential to further boost investment flows and enhance manufacturing competitiveness. While easing global oil prices provide some relief, inflation remains a key concern guiding the Reserve Bank of India's monetary policy.

## **INDIA'S GROWTH PROJECTIONS**

According to the International Monetary Fund (IMF), India's real GDP growth is projected at 6.4% for both FY 2024-25 and 2025-26, revised upward from earlier estimates of 6.2% and 6.3%, respectively. This upgrade reflects a more benign external environment and reinforces India's status as the fastest-growing major economy.

Supporting this optimism, a United Nations report also projects India's growth to moderate slightly to 6.3% in 2025, while still recognizing the country as a standout

performer among its peers.

This robust growth trajectory underscores India's strong fundamentals—anchored by resilient domestic consumption, ongoing policy reforms, and targeted investment—which continue to position the nation as a key driver of global economic momentum.

## **BUDGET 2025-26:**

The Union Budget 2025-26 highlights nine priority areas aimed at fostering inclusive and sustainable growth—agriculture, manufacturing, urban development, energy security, green growth, youth empowerment, financial sector development, infrastructure & investment, and last-mile delivery. Together, these reflect a forward-looking roadmap for a resilient and future-ready economy.

Continuing its infrastructure-led growth strategy, the government has allocated a capital outlay of ₹11.21 lakh crore for FY 2025-26, marking a modest increase from the previous year. This sustained focus on infrastructure underscores the role of public investment as a critical driver of long-term growth.

## **AGRICULTURE REBOUNDS**

India's growth vision is closely tied to the agriculture sector, which is expected to rebound with a 3.8% growth rate in FY 2024-25, up from 1.4% in FY 2023-24. This recovery is driven by a favorable monsoon, sustained rural consumption, and policy interventions such as the Kisan Credit Card scheme and the e-National Agriculture Market (eNAM).

The Union Budget 2025-26 allocated Rs. 1.52 trillion to agriculture, focusing on enhancing credit access, developing digital marketplaces, and promoting sustainable practices. These measures are aimed at boosting productivity, supporting farmer welfare, and strengthening allied sectors such as horticulture and livestock.

Agriculture continues to serve as a cornerstone of economic stability, acting as a buffer against global uncertainties while fuelling rural demand. Targeted investments in agri-infrastructure, storage, and value-added services like food processing are expected to generate employment opportunities and broaden the sector's impact on the overall economy. While the growth reflects steady progress, it also marks a crucial phase of stabilisation for long-term sustainability.

## **INDUSTRY PERFORMANCE**

India's manufacturing sector continues to play a pivotal role in driving economic expansion, supported by policy reforms, supply chain diversification, and rising domestic demand. In FY 2024-25, the sector is projected to grow at 7.4%, compared to 5.9% in FY 2023-24, reflecting an improvement in capacity utilisation and investment inflows.

Government initiatives such as the Production-Linked Incentive (PLI) schemes, focus on "Make in India," and measures to promote MSMEs are accelerating industrial competitiveness. Increased capital expenditure on infrastructure and logistics is further strengthening the sector's ecosystem, improving both domestic and export prospects.

However, challenges remain in the form of high input costs, global trade uncertainties, and technology adoption gaps. Addressing these through skill development, innovation, and greater private investment will be crucial for sustaining momentum in the manufacturing sector.

## **TRENDS IN INFLATION**

Inflation remains a critical factor influencing India's macroeconomic stability. In FY 2024-25, headline inflation averaged around 4.6%, broadly within the Reserve Bank of India's target range of 2-6%. Food price volatility, driven by supply-side shocks such as erratic rainfall and global

The Union Budget 2025-26 emphasizes measures to contain inflation through enhanced food supply management, investments in warehousing and cold storage, and support for agricultural productivity. Additionally, energy price stability and calibrated monetary policy by the RBI are expected to keep inflation in check.

While inflationary risks persist from global oil price fluctuations and climate-related uncertainties, India's strong domestic demand, improved supply chains, and fiscal prudence are expected to maintain price stability going forward.

## **RURAL ECONOMY TRENDS**

India's rural economy continues to be a vital engine for national consumption dynamics. In FY 2024-25, inflation-adjusted consumer spending grew by 7.1%, surpassing overall GDP growth of 6.5%—a testament to strengthening rural demand even amid macroeconomic uncertainty. This resurgence has been bolstered by favorable monsoon conditions, healthier farm incomes, and easing inflationary pressures.

FMCG data for Q1 2025 indicates that consumption growth in rural areas outpaced urban demand by fourfold, with traditional trade volumes rising to 6.2% compared to 5.0% in the previous year. This trend continued into Q2, where village markets delivered double the consumption growth seen in cities, propelled by staples and personal care categories.

Furthermore, over three-quarters (76.6%) of rural households reported higher consumption levels, and nearly 40% noted increased income—supported by low rural inflation, which dropped to just 1.72% in June 2025. Such strong rural momentum offers a significant buffer for domestic demand and underpins more stable growth in the packaging, FMCG, and allied sectors.

## **EXPORT TRENDS**

In FY 2024-25, India achieved a historic high in total exports, amounting to US \$824.9 billion, marking a 6% year-on-year increase. Services exports continued to lead the momentum, recording US \$387.5 billion, a robust 13.6% uplift over the previous year. On the merchandise side, non-petroleum exports expanded to US \$374.1 billion, growing by 6%.

Export diversification emerged as a defining theme—high-tech and value-added goods such as engineering, electronics, pharmaceuticals, and agricultural produce accounted for over 50% of merchandise exports. Electronics exports surged impressively (+33-47%), machinery and pharma maintained strong traction, while agricultural products like meat and dairy also showed double-digit growth in Q2 FY25.

The resilience of India's export engine was evident despite global headwinds. While traditional sectors such as gems, jewellery, and petroleum faced slowdowns or flat performance, the services sector helped cushion the impact, contributing significantly to foreign exchange inflows. With trade deficit narrowing and balance of payments stabilized, exports played a critical stabilizing role amid lingering geopolitical uncertainty.

## **FOREX & RUPEE STABILITY**

India's external sector gained further strength on the foreign exchange front, with reserves rising to USD 676.3 billion as of March 31, 2025, up from USD 648.6 billion a year earlier. This increase reflects proactive interventions by the RBI along with favorable valuation gains on foreign assets. The sustained build-up in reserves provides a strong cushion against external shocks and ensures ample import cover, a critical safeguard in the face of ongoing global uncertainties.

Despite navigating a turbulent global environment, the Indian Rupee exhibited

exhibited relative stability throughout FY 2024-25. While there were intermittent phases of depreciation, the currency rebounded sharply in early 2025, recording its strongest monthly appreciation in over six years in March. This recovery was driven by strong foreign portfolio inflows and a weakening US dollar.

For the full fiscal year, the rupee registered only a modest depreciation of around 2.4% against the US dollar—significantly better than many other emerging market currencies. The RBI's timely interventions, coupled with the comfort of robust forex reserves, played a decisive role in mitigating external shocks and sustaining investor confidence.

## **FUTURE GROWTH PROSPECTS**

India is projected to sustain a real GDP growth rate of 6.5% between FY 2025-26 and FY 2027-28, supported by strong fundamentals in manufacturing, exports, and digital transformation. Enhanced competitiveness in these areas, coupled with a notable rise in services exports, is expected to strengthen productivity and efficiency, reinforcing India's long-term growth trajectory.

That said, certain headwinds persist. A potential global slowdown—particularly in the U.S. and China—could dampen external demand. On the domestic front, delays in private corporate capital expenditure, compounded by concerns over China's excess manufacturing capacity, may weigh on investment. Further, a possible depreciation of the Chinese Renminbi could exert pressure on India's trade balance.

Nevertheless, India remains well positioned to capitalize on the growing adoption of the 'China + 1' strategy by multinational corporations. This shift is likely to boost India's role in global manufacturing and supply chains, creating fresh opportunities for investment, exports, and job creation.

## **GLOBAL FLEXIBLE PACKAGING MARKET**

The global flexible packaging market was valued at USD 210.62 billion in 2023 and is projected to reach USD 238.91 billion by 2029, registering a steady CAGR of 2.12%. This growth is underpinned by rising demand across food and beverages, pharmaceuticals, personal care, and household products, where packaging is increasingly recognized as a value-adding extension of the product itself.

Innovation is driving the transition toward smaller, convenient formats such as sachets, pillow packs, and mini pouches, which cater to evolving consumer preferences for portability and affordability. At the same time, sustainability imperatives are reshaping the industry, encouraging the development of eco-friendly, recyclable, and lightweight solutions, particularly in the case of multi-layer plastic materials that are traditionally harder to recycle.

Within the Asia-Pacific region, China stands out as the largest contributor, benefitting from its low-cost manufacturing base, rapid

urbanization, and rising consumer demand for modern packaging formats. Global brands and retailers also favor flexible packaging for its cost efficiency, logistical advantages, and strong performance in single-serve and small-format applications, making it a preferred choice across both emerging and developed markets.

Overall, flexible packaging continues to expand its role as not just a protective medium but also a strategic tool for brand differentiation, consumer convenience, and sustainability compliance, positioning it as a central pillar of the global packaging industry's future.

## **GLOBAL FLEXIBLE PACKAGING MARKET - SIZE & TRAJECTORY**

The global flexible packaging market has displayed robust growth in recent years and is projected to continue its upward trend. In 2023, the market was estimated at USD 270.96 billion, and expectations are that it will grow to USD 373.34 billion by 2030, translating into a strong CAGR of approximately 4.8%. Earlier estimates suggested a base of USD 210.62 billion in 2023, with projections rising to USD 238.91





billion by 2029, reflecting a more conservative CAGR of 2.12%.

This growth is being driven by increasing demand across key industries such as food & beverage, pharmaceuticals, personal care, and e-commerce packaging. Flexible packaging offers multiple advantages—space efficiency, reduced material usage, better product protection, and sustainability—which continue to attract manufacturers and global brands alike. Notably, the Asia-Pacific region remains the largest and fastest-growing market, driven by rising disposable incomes, urbanisation, and robust retail expansion.

## **FLEXIBLE PACKAGING IN APAC**

The Asia-Pacific (APAC) flexible packaging market was valued at USD 80.74 billion in 2023 and is projected to reach USD 94.67 billion by 2029, registering a steady CAGR of 2.69% during the forecast period. APAC is set to remain the dominant force in the global flexible packaging landscape, driven by strong domestic demand, competitive labour costs, and expanding manufacturing infrastructure. These factors continue to attract global players who are increasing investments, forming strategic partnerships, and introducing innovative product solutions to strengthen their market presence.

The region's growth trajectory is supported by rapid economic development, a rising workforce, and surging demand from food, beverage, and pharmaceutical sectors. In particular, food packaging innovation and healthcare-related needs are shaping consumer expectations for greater safety, convenience, and sustainability.

That said, APAC also presents challenges due to its fragmented market structure and vast geographic scale, particularly in large economies like China and India, which can complicate supply chain efficiency. Companies that successfully diversify sourcing networks, enhance procurement systems, and adapt packaging formats to

local preferences will gain a competitive edge.

The APAC market encompasses a wide spectrum—from low-cost sachets catering to mass consumption to premium protective packaging for industrial and healthcare applications. Looking ahead, significant growth is expected in convenience-driven and sustainable packaging formats, underscoring APAC's role as the most influential hub for flexible packaging globally.

## **EUROPE FLEXIBLE PACKAGING MARKET**

The European flexible packaging market was valued at USD 58.66 billion in 2023 and is forecast to reach USD 65.58 billion by 2029, registering a CAGR of 1.88%. Growth in the region is underpinned by economic stability, rising disposable incomes, and strong demand for innovative packaging technologies, including aseptic, retort, anti-counterfeit, and child-resistant formats. These solutions provide vendors with a competitive edge while ensuring compliance with stringent European regulations on food safety and sustainability.

The market is being reshaped by a structural shift from rigid to flexible packaging, as smaller households and urban consumers increasingly favour single-serve, lightweight, and portable packaging. Demand from coffee, pet food, fresh produce, and dairy sectors continues to drive innovation, with recyclability and eco-friendly materials becoming central to product development.

Western Europe dominates the market, supported by mature consumption patterns and advanced retail infrastructure in countries such as Germany, France, Belgium, and the Netherlands. Meanwhile, Eastern Europe is emerging as a high-growth region, benefitting from rising incomes and evolving consumer preferences.

However, the market faces challenges from Brexit-related trade complexities, which have disrupted cross-border supply chains and increased compliance costs for exporters. Despite these hurdles, Europe's emphasis on sustainable innovation and premium packaging solutions positions it as a leading player in shaping the future of the global flexible packaging industry.

## **FLEXIBLE PACKAGING IN NORTH AMERICA**

The North America flexible packaging market was valued at USD 48.66 billion in 2023 and is projected to reach USD 52.62 billion by 2029, at a CAGR of 1.31% over the forecast period. Growth in the region is being largely driven by the rapid expansion of e-commerce, particularly in high-volume categories such as personal care products, pharmaceuticals, and pet foods, which has spurred demand for flexible sacks, pouches, and FIBCs.

The region—led by the United States, the largest revenue contributor—benefits from a mature and resilient economy characterized by increasing consumer spending, dining-out frequency, and strong retail activity, all of which continue to favour packaging demand. Flexible plastic films and resins remain dominant due to their cost-efficiency, durability, and versatility, especially in the food and beverage sector, where extended shelf life and product protection are essential.

A major trend shaping the market is the adoption of smart packaging technologies such as RFID tags and QR codes, which enhance supply chain visibility, product authentication, and consumer engagement, particularly in sensitive categories like food and pharmaceuticals. Moreover, the growing popularity of portable and convenient pouch formats for ready-to-eat foods, beverages, and personal care products further supports market expansion.

While the region's market is relatively mature compared to APAC and Europe, continuous innovation in sustainable packaging solutions, recycling technologies, and digitalized packaging formats is expected to create new opportunities and strengthen North America's role in the global flexible packaging industry.

## **LATIN AMERICA PACKAGING TRENDS**

The Latin America flexible packaging market was valued at USD 14.83 billion in 2023 and is projected to reach USD 17.25 billion by 2029, growing at a CAGR of 2.55% during the forecast period. Growth in the region is being fuelled by a rapidly expanding middle class and rising disposable incomes, which are driving higher consumption levels and packaging demand, outpacing the more mature markets of North America and Europe.

Brazil and Mexico are the key growth engines in the region's flexible packaging industry. Brazil, ranked as the second-largest pet food market globally, has seen significant demand for flexible packaging in this category, supported by the country's strong grain production base. In addition, Latin America is a major exporter of meat, poultry, and seafood, creating sustained demand for durable and efficient packaging solutions for international shipping.

The retail ecosystem in Brazil further underlines this trend, with over 90,000 retail outlets spanning healthcare, food, electronics, and pet care categories. The ongoing recovery of Brazil's economy, coupled with rising investment in organized retail, is expected to provide strong momentum for the market.

Overall, the region presents a promising outlook for flexible packaging, supported by growing consumption, expanding

agriculture and services sectors, and rising exports, with Brazil continuing to play a pivotal role in shaping the Latin American market landscape.

## **MIDDLE EAST & AFRICA FLEXIBLE PACKAGING MARKET**

The Middle East & Africa flexible packaging market was valued at USD 7.72 billion in 2023 and is projected to reach USD 8.79 billion by 2029, expanding at a CAGR of 2.19% over the forecast period. Although per capita consumption remains relatively low compared to mature regions like Europe and North America, the market presents substantial untapped potential.

Economic growth in Turkey, the UAE, and Saudi Arabia is accelerating demand for flexible packaging, particularly across the food, pharmaceutical, and consumer goods sectors. At the same time, regional challenges—including economic volatility in certain African economies, underdeveloped logistics infrastructure, and lingering recessionary impacts—pose constraints to faster adoption.

Despite these hurdles, key urban centers such as Dubai, Abu Dhabi, Riyadh, and Doha are experiencing robust growth in packaging demand. As economies stabilize following pandemic-related and geopolitical disruptions, countries like Saudi Arabia, Kuwait, and Qatar are positioned to sustain long-term demand for packaging solutions.

The region's large base of small and medium enterprises (SMEs) also opens opportunities for global players to expand. Industry leaders such as Amcor, Constantia Flexibles, and Huhtamaki Group, currently anchored in South Africa and the UAE, are well placed to scale their presence and capture growth across new markets.

## **GROWTH DRIVERS**

### **Shifting Consumer Expectations and Lifestyle Changes**

Modern consumers are prioritizing packaging that blends functionality, sustainability, and convenience. There is a notable move toward mono-material and minimalistic packaging designs that enhance usability while reducing environmental impact. Particularly in the food, beverage, personal care, and healthcare industries, hygienic, attractive, and eco-conscious packaging has become essential in the post-pandemic era. Growing urban populations and fast-paced lifestyles are further amplifying the demand for easy-to-use, resealable, and lightweight packaging formats.

### **Surge in Online Food Delivery and E-Commerce Packaging**

The expansion of food delivery services, quick commerce, and e-commerce platforms has fueled demand for durable, safe, and sustainable packaging. The rise of dark kitchens and aggregator platforms has led to soaring usage of disposable trays, bowls, pouches, and containers. Beyond food, the growth of online shopping is also boosting flexible packaging needs for electronics, apparel, and household products, where tamper-proof, protective, and branded packaging plays a pivotal role.

### **Packaging as a Strategic Branding and Marketing Tool**

Packaging is no longer just about protecting products—it has become a powerful brand enabler and storytelling medium. Companies are investing in limited editions, creative structural designs, personalized prints, and interactive features such as QR codes and AR-based experiences to engage customers. By reinforcing brand identity and enhancing shelf appeal, packaging helps companies stand out in increasingly competitive retail and e-commerce spaces.

### **Innovation in Formats, Materials, and Design**

There is rising demand for single-serve, family packs, miniaturized, and multi-pack

formats that address evolving consumer preferences like portion control, portability, and affordability. Simultaneously, sustainability pressures are pushing brands toward eco-friendly, recyclable, and compostable packaging made from plant starch, biodegradable plastics, and recycled paper. Innovative formats such as stand-up pouches, zipper packs, and spout pouches are gaining traction due to their versatility and lower material usage.

### **Digital Transformation, Smart Packaging, and Traceability**

Advancements in digital technologies are reshaping the packaging sector. Smart packaging solutions, including RFID tags, NFC-enabled labels, and QR codes, are enabling real-time tracking, authentication, and personalized consumer engagement. Blockchain and AI are being leveraged to improve supply chain transparency, traceability, and sustainability performance. These technologies not only protect against counterfeiting but also support circular economy goals by improving end-of-life management and reducing waste.

### **Regulatory Push and Sustainability Mandates**

Governments and regulatory bodies are enforcing stricter norms around plastic waste management, recyclability, and extended producer responsibility (EPR). This is compelling manufacturers to adopt greener packaging alternatives, invest in closed-loop recycling systems, and develop materials that align with global sustainability standards. Companies that adapt early are expected to gain competitive advantage as eco-compliance becomes a consumer and regulatory expectation.

### **Globalization of Supply Chains and Market Expansion**

As global trade and cross-border e-commerce expand, the demand for flexible, durable, and lightweight packaging is growing. Flexible packaging helps reduce

logistics costs and carbon footprints compared to rigid alternatives. Emerging markets in Asia, Africa, and Latin America are offering substantial opportunities due to rising disposable incomes, changing consumption patterns, and an expanding middle-class population.

## **MARKET OPPORTUNITIES**

### **Vendor-Led Product Innovation**

Global packaging vendors are actively investing in advanced product platforms to address evolving regulatory standards and consumer expectations. By expanding their product portfolios with sustainable, lightweight, and performance-driven solutions, vendors are securing stronger market positions. Strategic investments in R&D are also enabling companies to diversify their geographic reach and create long-term competitive advantages.

### **Rising Demand for Tamper-Proof Packaging**

Heightened regulatory oversight and growing consumer concern over product safety are accelerating the demand for tamper-proof packaging. This trend is especially pronounced in the food, beverage, and pharmaceutical sectors, where visible evidence of tampering not only safeguards product integrity but also builds consumer trust. For high-value goods and sensitive categories such as baby food or healthcare items, tamper-evident solutions are becoming a market standard.

### **Emergence of Reusable and Refillable Packaging Models**

Sustainability is pushing businesses toward reusable packaging systems that align with circular economy principles. Durable formats using stainless steel, aluminium, or reinforced polymers are replacing single-use plastics in areas like beverages, personal care, and grocery deliveries. These models not only reduce waste but also create recurring consumer engagement through refill and return systems.



### **Growing Role of Smart and Connected Packaging**

Technological innovation is opening opportunities for smart packaging solutions. Features such as QR codes, RFID tags, and NFC chips provide transparency, traceability, and consumer interactivity. These solutions enhance safety by validating authenticity, while also enabling personalized marketing and customer engagement. With the growth of e-commerce and direct-to-consumer models, connected packaging is becoming a vital touchpoint.

### **Expansion of Sustainable Material Alternatives**

The global shift towards eco-friendly packaging materials presents opportunities for innovation in biodegradable plastics, compostable films, and plant-based materials. Vendors who can scale production of cost-efficient and sustainable alternatives are well-positioned to capture both regulatory-driven and consumer-driven demand, especially in regions with stricter plastic bans.

### **Growth in Single-Serve and On-the-Go Packaging**

The rise of urban lifestyles, smaller households, and health-conscious consumers is driving demand for single-serve and portion-controlled packaging. This trend is particularly strong in snacks, ready-to-drink beverages, and meal kits. Brands that innovate in convenient, portable, and eco-friendly formats stand to benefit significantly.

## **KEY BARRIERS TO MARKET GROWTH**

### **Rising Costs of Recycling Infrastructure**

The recycling of rigid and flexible plastic packaging remains highly capital- and resource-intensive. Significant amounts of energy, water, and labour are required for cleaning, segregating, and reprocessing post-consumer plastics. For many small and

medium enterprises (SMEs), it is often more cost-effective to manufacture new plastic packaging rather than invest in recycling. Moreover, most packaging facilities across emerging markets are designed to handle virgin plastic materials, which makes retrofitting them for recycled content both costly and technically complex. This cost burden continues to slow down large-scale adoption of recycling initiatives.

### **Food Safety and Contamination Risks**

One of the most pressing concerns in packaging is the potential for harmful substances to migrate from packaging materials into consumables. Chemicals such as PFAS, phthalates, and mineral oils—commonly present in recycled or chemically treated packaging—pose significant health risks, especially when exposed to heat or improper processing. Cross-contamination during high-volume packaging operations also jeopardizes food integrity, raising safety concerns for manufacturers and consumers alike. As regulatory agencies tighten restrictions, packaging companies are under increasing pressure to ensure compliance and transparency across their supply chains.

### **Environmental Burden of Plastic Waste**

Plastic waste continues to dominate the global sustainability debate, with single-use and non-biodegradable polymers like polystyrene being especially problematic. These materials not only resist recycling but also release carcinogenic by-products as they degrade. Rising consumer awareness, combined with stricter government policies, is accelerating the push to eliminate single-use plastics—placing both regulatory and reputational pressure on packaging companies.

## **FUTURE OUTLOOK**

The global flexible packaging market is projected to witness steady and broad-based expansion over the next decade, driven by its rising adoption across food, healthcare, personal care, and digital



commerce sectors. Its unique combination of cost-efficiency, adaptability, and sustainability advantages firmly positions flexible packaging as a cornerstone of the industry's ongoing transformation.

## **INDIAN FLEXIBLE PACKAGING INDUSTRY**

The Indian flexible packaging industry is entering a phase of rapid expansion, underpinned by strong macroeconomic trends, evolving consumer behaviour, and significant investments in manufacturing capacity. With the market projected to grow by nearly USD 17.5 billion between 2024 and 2029 at a CAGR of 12.7%, India is expected to emerge as one of the fastest-growing hubs for flexible packaging globally. This acceleration is being driven by rising demand for packaging solutions that are lightweight, cost-effective, durable, and sustainable.

Flexible packaging formats—including pouches, bags, sachets, wraps, and laminated films—are increasingly preferred by both manufacturers and consumers due to their ability to provide extended shelf life, protection from contamination, and convenient handling. The shift away from rigid packaging formats such as glass and tin towards flexible alternatives highlights the industry's transition to more resource-efficient solutions. For businesses, the lower transportation costs, reduced material usage, and adaptability of flexible packaging offer strong operational and financial advantages.

A major demand driver is the food and beverage sector, which accounts for the largest share of consumption. With the rapid rise of urbanisation, dual-income households, and a growing culture of on-the-go consumption, packaged foods, snacks, dairy products, and beverages are increasingly relying on flexible packaging to deliver freshness and convenience. The expansion of organised retail and e-commerce platforms has further accelerated the adoption of smaller,

portable, and resealable packaging units. In pharmaceuticals, flexible blister packs, sachets, and pouches are gaining popularity for their tamper resistance, hygiene, and cost efficiency. Similarly, in personal care and household goods, flexible packaging is being leveraged to support premiumisation while enabling sustainable packaging practices.

Environmental concerns and regulatory interventions are also reshaping the sector. With increasing restrictions on single-use plastics and rising public awareness of plastic waste management, packaging companies are shifting towards recyclable and biodegradable film technologies. Indian manufacturers are investing in advanced multi-layered films, barrier coatings, and mono-material laminates to comply with sustainability mandates while retaining performance and cost competitiveness. Additionally, the government's focus on extended producer responsibility (EPR) is compelling companies to innovate and adopt closed-loop recycling models.

The sector's growth is also supported by India's competitive manufacturing ecosystem. The availability of raw materials such as polypropylene (PP) and polyethylene (PE), combined with improving infrastructure and favourable government policies, is attracting both domestic and global players to scale operations in India. International companies view India as a promising entry point into the broader Asia-Pacific market, while local firms are upgrading technology and expanding capacity to cater to rising demand.

Going forward, the Indian flexible packaging market is poised to evolve from being volume-driven to innovation-led. Developments in intelligent packaging—such as QR-enabled packs, freshness indicators, and smart labelling—are expected to gain traction. At the same time, digital printing and customised packaging formats will cater to the growing emphasis on personalisation and brand differentiation. Companies that

successfully align their strategies with sustainability, innovation, and affordability will be best positioned to capture market leadership in this high-growth industry.

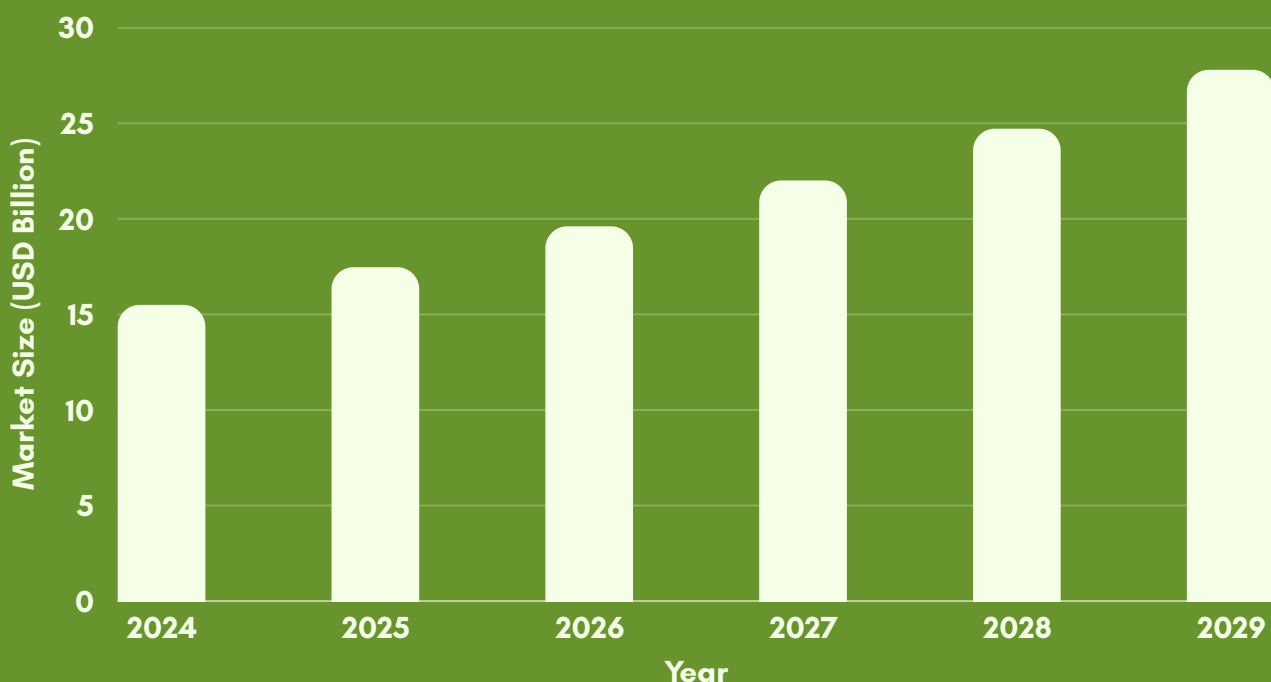
Food and beverage packaging will continue to dominate market share, but the fastest growth is projected in pharmaceuticals and personal care, driven by increasing health awareness and demand for premium products. Furthermore, the rise of organized retail and quick-commerce players like Blinkit, Zepto, and Swiggy Instamart is set to accelerate the adoption of flexible pouches and sachets for efficient logistics and consumer convenience.

Another important driver is the regulatory environment. With India pledging to reduce single-use plastics and encourage recyclable or biodegradable alternatives, flexible packaging companies are shifting toward mono-material solutions, compostable films, and recyclable laminates. These eco-friendly innovations

are expected to gain substantial traction, especially as consumer sentiment increasingly favors sustainability.

From an investment perspective, the sector offers attractive opportunities for both domestic and foreign players. India's competitive manufacturing costs, expanding infrastructure, and government incentives under schemes like Make in India and PLI (Production Linked Incentive) are creating a favorable environment for capacity expansion and technology upgrades. Global leaders are eyeing joint ventures, mergers, and acquisitions to secure a foothold in this fast-growing market.

In conclusion, the next five years will witness a decisive shift toward sustainable, intelligent, and digitalized packaging ecosystems. Companies that invest early in green materials, automation, and advanced printing technologies will be well-positioned to capture long-term value and establish leadership in this evolving sector.



## EPR MANDATE 2025-26

The Government of India has introduced the Extended Producer Responsibility (EPR) framework to accelerate sustainability in packaging. Under this mandate, Producers, Importers, and Brand Owners (PIBOs) are legally obligated to manage the entire lifecycle of their packaging—from design and production to collection, recycling, and final disposal. This initiative strengthens the country's commitment to a circular economy, reduces environmental risks, and promotes efficient resource utilization.

### **Key Features of the Mandate**

- **Mandatory Registration:** All PIBOs must register with the Central Pollution Control Board (CPCB) through a centralized portal before undertaking packaging operations.
- **Lifecycle Responsibility:** Companies are accountable for end-to-end management of packaging waste across materials like plastic, paper, glass, and metal.
- **Recycled Content Targets:** Effective April 1, 2025, packaging must include minimum recycled content and reuse provisions.
- **Traceability & Labeling:** From July 1, 2025, all plastic packaging must carry QR codes, barcodes, or unique identifiers for public traceability through CPCB's database.
- **Waste Collection Systems:** PIBOs must develop robust collection mechanisms and partner with recyclers to ensure responsible waste recovery.
- **Enforcement & Penalties:** Non-compliance will attract strict penalties under the Environment (Protection) Act, 1986.

This landmark regulation represents a paradigm shift in India's packaging sector, driving companies toward eco-friendly innovation, enhanced accountability, and sustainable growth practices.

## COMMITMENT TO FOOD SAFETY COMPLIANCE

The Food Safety and Standards (Packaging and Labeling) Regulations, introduced in 2011, were designed to set comprehensive requirements for how food products are packed and labeled in India. Their primary purpose is to safeguard consumers and enhance product traceability, ensuring that every packaged item reaching the market adheres to strict quality and safety norms.

These regulations make it mandatory for food labels to provide accurate and clear details such as ingredients, nutritional content, allergens, expiry dates, and manufacturer information. Packaging materials, too, are required to be food-grade, safe, and non-toxic, protecting products from contamination while maintaining their freshness and quality. The Food Safety and Standards Authority of India (FSSAI) oversees the enforcement of these rules, promoting transparency and accountability across the food sector.

In January 2025, FSSAI further streamlined compliance by announcing a uniform enforcement timeline for amendments to the Food Safety and Standards (Labeling and Display) Regulations, 2020. Under this system, all amendments will take effect from July 1 each year, with a minimum compliance window of 180 days from notification. This approach not only provides clarity and predictability for food businesses but also ensures that consumers continue to receive reliable and up-to-date information on the products they purchase.

## FSSAI'S PACKAGING UPDATE

On March 28, 2025, the Food Safety and Standards Authority of India (FSSAI) introduced a landmark amendment permitting the use of select categories of recycled plastics in food packaging. This progressive step reflects India's commitment to sustainability while maintaining strict safeguards around food

safety. Only those recycling technologies that are formally evaluated and approved by FSSAI will be permitted, ensuring that the materials used pose no risk to consumer health.

To reinforce transparency and accountability, the amendment makes it mandatory for all recycled plastic packaging to carry clear traceability labels. Additionally, food businesses using such materials will undergo regular audits and compliance checks, strengthening oversight and minimizing the possibility of misuse. By balancing innovation with responsibility, this regulation paves the way for a more circular economy in packaging, aligning environmental goals with consumer trust.

## **STRENGTHENING PLASTIC WASTE GOVERNANCE**

The Plastic Waste Management (PWM) Rules, 2016 were introduced to establish a comprehensive framework for addressing the growing challenges of plastic waste in India, with particular emphasis on plastic packaging. These rules focus on reducing environmental pollution by encouraging responsible production, collection, segregation, recycling, and disposal of plastic waste.

A key highlight of the PWM Rules is the concept of Extended Producer Responsibility (EPR), which places accountability on producers, importers, and brand owners to manage the lifecycle of plastic products, including post-consumer waste. By mandating that businesses set up collection mechanisms and channel plastic waste for recycling or safe disposal, the rules aim to reduce the burden on municipalities and improve waste management efficiency.

Over time, the PWM framework has been strengthened through amendments, aligning with India's sustainability goals and global best practices. These efforts not only mitigate plastic pollution but also create opportunities for innovation in eco-friendly

packaging and recycling technologies, thereby promoting a circular economy.

## **PHASING OUT SINGLE-USE PLASTICS**

The nationwide ban on single-use plastics, implemented in July 2022, represents a landmark move in India's battle against plastic pollution. The regulation targeted 19 specific low-value, non-recyclable items—including plastic straws, disposable cutlery, and certain packaging materials—that were major contributors to environmental degradation.

This ban has not only curtailed the production and use of such items but also compelled packaging manufacturers and brands to innovate and transition toward sustainable alternatives. By promoting biodegradable, compostable, and recyclable packaging solutions, the policy serves as a catalyst for long-term environmental stewardship while pushing industries to align with India's broader sustainability goals.

Additionally, the initiative has raised consumer awareness about the environmental consequences of single-use plastics, encouraging responsible consumption patterns and greater acceptance of eco-friendly packaging in daily life.



## **INDIA'S PLASTIC TRANSITION**

Launched in September 2021 by the Confederation of Indian Industry (CII) and WWF India, with support from WRAP, the India Plastics Pact represents a bold step toward building a circular economy for plastic packaging. Its roadmap for implementation, unveiled in August 2022, outlines a strategic framework that brings together businesses, policymakers, and stakeholders to transform the way plastics are produced, used, and recycled in India.

The Pact sets ambitious 2030 targets, including ensuring that 100% of plastic packaging is reusable, recyclable, or compostable. It also aims to achieve a 50% recycling rate for plastic packaging while mandating that all packaging incorporates an average of 25% recycled content. These commitments are designed to close the loop on plastic use, reduce waste leakage into the environment, and maximize resource efficiency.

Beyond recycling targets, the Pact emphasizes the elimination of unnecessary or problematic plastic packaging through design innovation and systemic change. By fostering collaboration across industries, it not only drives sustainable business practices but also aligns India's packaging ecosystem with global environmental stewardship goals.

## **PACKAGED COMMODITIES AMENDMENT RULES, 2015**

The Legal Metrology (Packaged Commodities) (Amendment) Rules, 2015 provided businesses with additional time to comply with updated labeling requirements. Recognizing the disruptions caused by the Covid-19 pandemic, the government allowed the use of pre-printed packaging materials until January 1, 2025.

This extension was aimed at ensuring a smoother transition to the revised standards while reducing operational challenges.

It also helped minimize financial losses and unnecessary waste of pre-existing packaging stock, offering much-needed relief to manufacturers and retailers during a period of uncertainty.

By balancing regulatory compliance with industry realities, the amendment reflects a practical approach toward supporting both business continuity and consumer protection.

## **INDUSTRY OUTLOOK**

India's flexible packaging industry is set to maintain strong double-digit growth, fueled by structural consumption shifts, rapid urbanisation, the rise of e-commerce, and increasing demand for processed food. These factors are reshaping consumer preferences and driving the need for more efficient packaging solutions.

Rising logistics costs are further pushing businesses toward lighter, compact, and durable packaging that lowers shipping expenses while enhancing supply chain efficiency. This shift is not only cost-driven but also operationally strategic, enabling companies to stay competitive in a fast-changing market.

At the same time, government initiatives such as Make in India, sustainability regulations, and policy support for MSMEs are creating a favourable environment for expansion. However, to fully realise this potential, industry players must balance affordability with compliance, invest in green technologies, and establish strong local recycling networks to align with India's evolving regulatory and environmental priorities.

Looking ahead, companies that focus on consumer-centric innovation—such as sustainable designs, smart packaging, and greater convenience—will be best positioned to capture market share and build long-term brand value in India's dynamic packaging ecosystem.



## PRODUCT PORTFOLIO

The Indian packaging industry is undergoing rapid transformation, shaped by consumer preferences for convenience, sustainability, and cost efficiency. With e-commerce, FMCG, food delivery, and pharmaceuticals driving demand, companies with diverse, adaptable, and innovative product portfolios are better positioned to capture long-term growth.

Clara Industries has built a comprehensive product mix that balances mainstream packaging solutions with innovative, value-added products. This combination not only enables the company to serve a wide spectrum of industries but also strengthens its competitiveness in an environment increasingly defined by regulatory requirements and consumer-led sustainability.



### PACKAGING FILMS

Our packaging films form the foundation of versatile, reliable, and high-performing solutions for a

wide range of industries. At the core of this portfolio are LD PP multilayer sheets, manufactured from high-quality polypropylene and LLDPE granules using advanced multilayer extrusion technology. This process ensures excellent durability, flexibility, and barrier protection, helping safeguard products against moisture, dust, and external contaminants while extending shelf life and maintaining quality.

These films are available both in roll form and as ready-to-use bags, offering convenience for diverse industrial and consumer applications. Food processors use them for hygienic, tamper-resistant packaging, while the agricultural and industrial sectors value their strength for safe storage and bulk handling. Lightweight yet resilient, they also contribute to cost-

efficiency in logistics and transportation. Importantly, their recyclability aligns with the growing emphasis on sustainable packaging practices. By combining performance, versatility, and eco-responsibility, our packaging films deliver solutions that meet evolving customer expectations in a dynamic market.



### PRINTED PLASTIC FILMS

Our printed plastic films offer an advanced packaging solution that combines functionality with strong visual

appeal. Manufactured in monolayer, two-layer, and three-layer structures, these films are engineered to deliver the right balance of strength, flexibility, and barrier properties depending on customer requirements. Available in both roll form and as customized pouches, they cater to a wide spectrum of applications across food, personal care, and industrial segments.

The key advantage of these films lies in their ability to support high-quality printing, enabling vibrant graphics, brand messaging, and product information to be displayed with clarity and durability. This makes them not only a protective medium but also a powerful tool for brand differentiation on retail shelves. With customizable formats, sizes, and finishes, our printed films are designed to meet diverse client specifications while ensuring consistency in performance and quality.



### PLASTIC MATS

Our plastic mats combine durability, functionality, and design appeal, making them a popular choice for both domestic and

commercial use. Manufactured from high-quality polypropylene, these mats are lightweight yet strong, offering excellent resistance to wear, moisture, and everyday use. Their versatility allows them to serve multiple purposes—from floor coverings in households and offices to outdoor and recreational applications.

With a wide range of colors, patterns, and textures, our mats are crafted to suit diverse consumer preferences while maintaining affordability and ease of maintenance. They are easy to clean, foldable for convenient storage, and long-lasting, making them a practical solution for modern lifestyles. Beyond everyday utility, plastic mats also cater to export markets where demand for low-cost, high-quality, and multipurpose household products is steadily increasing.



## HORTICULTURE BAGS

Our horticulture bags are designed to meet the growing needs of modern agriculture, floriculture, and

urban gardening. Manufactured from high-quality materials, these bags are durable, lightweight, and capable of withstanding varying weather conditions, making them a reliable choice for farmers and gardeners alike. They provide an efficient and cost-effective alternative to traditional pots, offering portability and flexibility in both small-scale and commercial cultivation.

Available in a variety of sizes and specifications, these bags are ideally suited for growing vegetables, fruits, ornamental plants, and nursery saplings. Their breathable yet sturdy structure promotes healthy root development and efficient water drainage, ensuring optimal plant growth. With the increasing emphasis on sustainable farming practices, our horticulture bags are gaining traction in

both domestic and export markets, catering to the rising demand for innovative and eco-friendly cultivation solutions.



## FOOD WRAP

Our food wrap is a one-side metallised, high-quality packaging solution designed as a healthier and more sustainable alternative to

conventional aluminium foil and butter paper. Unlike aluminium foil, which may have harmful effects when in direct contact with food, our metallised food wrap ensures safety without compromising on performance. It is crafted to maintain freshness, prevent contamination, and preserve the natural taste and aroma of food.

Available in convenient 1 kg rolls, the wrap is easy to handle and versatile for multiple uses—whether for packing tiffins, storing cooked meals, or wrapping fresh produce. Its combination of durability, light weight, and eco-friendliness makes it especially suitable for households, restaurants, and food businesses seeking reliable and responsible packaging. With the rising consumer preference for safer and sustainable options, our metallised food wrap stands out as a modern, everyday essential.



## CLING WRAP

Our cling wrap is a transparent, stretchable, and food-grade film designed to provide reliable protection and everyday

convenience. It clings tightly around containers, bowls, and food items, helping to prevent air exposure and keeping food fresher for longer. Its flexibility and self-sealing properties make it easy to handle, ensuring a secure wrap

without the need for additional sealing tools.

Available in different sizes, the wrap caters to a wide range of needs, from household kitchens to restaurants, bakeries, and catering services. It is commonly used for wrapping fresh fruits, vegetables, dairy, and cooked meals, ensuring hygiene and extending shelf life. By preserving moisture and preventing odour transfer, cling wrap offers a practical, efficient, and modern solution for food storage and handling.



### SELF-ADHESIVE TAPES

Our self-adhesive tapes are versatile packaging solutions designed for reliable sealing, bundling, and protection across

multiple industries. Manufactured with strong adhesion properties, they ensure secure bonding on a wide variety of surfaces, from cartons and parcels to plastics and metals. The tapes are easy to apply, tear-resistant, and maintain their grip even under varying storage and transit conditions, making them indispensable in logistics, warehousing, and retail environments.

Available in different sizes and specifications, these tapes are widely used for packaging, labeling, and protective applications. Their durability, convenience, and cost-effectiveness make them an essential component in both commercial operations and day-to-day use, ensuring efficiency and reliability in every application.



### LAB REPORT ENVELOPES

Our lab report envelopes are designed for the secure and efficient handling

of medical documents, diagnostic reports, and other important records. Crafted from premium-quality materials, they combine durability with practicality, making them suitable for both routine and sensitive documentation. These envelopes are available in three distinct varieties, each tailored to specific needs.

The Basic envelopes offer a simple and reliable solution for everyday use, making them well-suited for non-sensitive documents, internal communications, and routine reports. For documents that require frequent access, the Resealable envelopes provide added convenience as they can be opened and sealed multiple times while maintaining security and accessibility. At the highest level of protection, the Tamper-Proof envelopes ensure maximum confidentiality. Once opened, they cannot be resealed, providing a clear indication of any unauthorized access, making them ideal for legal documents, confidential lab reports, and sensitive materials that demand absolute security.

## MACHINERY & MANUFACTURING STRENGTH

At Clara Industries, we have built a strong manufacturing backbone powered by advanced, high-performance machinery. Our facilities are equipped with cutting-edge extrusion, printing, lamination, slitting, rewinding, and recycling units that enable us to deliver consistent quality, large-scale production, and innovative packaging solutions. This integrated setup not only supports our wide product portfolio—from packaging films and flexible packaging to mats, tapes, and food wraps—but also reinforces our commitment to efficiency, precision, and sustainability.

Clara Industries operates with strong and versatile manufacturing capabilities spread across three dedicated units, each equipped with advanced machinery to cater to different product lines. These facilities are designed to manage large-



scale production while upholding strict quality and safety standards, enabling us to serve a wide spectrum of industries with reliability.

Our infrastructure includes multi-layer and monolayer extrusion lines, state-of-the-art rotogravure and flexographic printing machines, lamination systems, and high-speed cutting, stitching, and rewinding equipment. Together, these give us the flexibility to deliver both standard and highly customized products—ranging from packaging films and flexible pouches to mats, self-adhesive tapes, horticulture bags, and food wraps.

In addition, in-house recycling and batch-making units strengthen our sustainability focus by reducing waste and optimizing raw material usage. With the combined capacity of our three units, Clara Industries stands well-positioned to meet rising market demands while consistently innovating to match global benchmarks of quality and performance.

## KEY MACHINERY

At Clara Industries, our strength lies in the seamless integration of advanced machinery with skilled manufacturing practices. We have built a strong ecosystem of equipment that allows us to deliver flexible packaging solutions that are not only high in quality but also adaptable to the diverse needs of our customers. Our production is anchored by a modern multi-layer Mamta Brampton extrusion line, which ensures films with excellent durability and barrier properties, while monolayer extruders give us the versatility to produce films across a wide spectrum of applications.

In our mats division, precision looms and thread warping machines enable us to craft plastic mats that combine strength with visual appeal, while specialized extruders ensure consistency in every weave and finish. For printing and finishing, we rely on high-precision rotogravure and flexographic machines that bring designs

to life with sharp detailing and vibrant colors. These are further complemented by lamination systems that add strength, and slitting, rewinding, pouch cutting, and sealing machines that prepare the final products in formats suited for both mass production and customized orders.

Equally important is our commitment to sustainability. With in-house recycling systems, including advanced mother-baby recycling lines and agglomerators, we are able to convert plastic waste back into usable raw material. This not only reduces our environmental footprint but also ensures a steady flow of resources for production. Together, this blend of cutting-edge technology and eco-conscious infrastructure allows Clara Industries to stay ahead in innovation, efficiency, and responsibility, setting us apart in the packaging industry.



At Clara Industries, our strength comes from combining innovation, scale, and trust to deliver packaging solutions that add real value. Over time, we have developed a diverse product portfolio that includes food wraps, horticulture bags, flexible packaging films, self-adhesive tapes, and more. This variety enables us to serve a wide range of industries, from food to healthcare and agriculture, making us a reliable partner for customers with different requirements.

Our three manufacturing units are equipped with advanced extrusion, lamination, and printing technologies, giving us the ability to respond quickly to evolving market needs. These facilities allow us to create packaging that balances quality, functionality, and sustainability, while also providing the flexibility to innovate and customize solutions as per customer expectations.

Equally important is our commitment to sustainability and responsibility. We are continuously exploring eco-friendly alternatives and recycling-led initiatives that help reduce environmental impact while supporting the long-term goals of our customers. Alongside this, we place strong emphasis on relationships. By ensuring consistent quality, timely delivery, and tailored solutions, we have become more than just a packaging supplier. For many of our clients, we are a partner they can trust to support their growth.

Clara Industries' competitive edge lies in this blend of diverse offerings, modern manufacturing capabilities, focus on sustainability, and a people-centered approach. This combination has powered our growth so far and will continue to guide our journey in the future.

## **BUSINESS STRATEGY & INITIATIVES**

Clara Industries' business strategy is built on a clear vision of growth, innovation, and responsibility. In a dynamic market shaped by changing consumer expectations,

evolving regulations, and rapid technological shifts, we focus on strengthening our core operations while embracing new opportunities. Our initiatives are guided by a dual approach: expanding our product portfolio and manufacturing capabilities to meet rising demand, while also investing in sustainable practices and customer-centric solutions that ensure long-term value creation.

### **CUSTOMER-CENTRIC INNOVATION**

At Clara Industries, we believe that the strongest businesses are built around the people they serve. Customer-centric innovation for us is about going beyond simply meeting current needs—it is about anticipating future expectations and creating solutions that grow with our clients. We invest in understanding consumer behaviour, market trends, and shifting lifestyles so that our strategies remain aligned with what truly matters to our customers. This mindset enables us to stay agile and proactive, ensuring that our offerings remain relevant in a rapidly evolving marketplace.

Our approach to innovation is highly collaborative. We actively engage with clients, partners, and stakeholders to co-create ideas, gather insights, and refine solutions that enhance their experiences. From adopting digital tools that simplify processes to streamlining service delivery and improving operational transparency, our focus is on building trust and long-lasting relationships. By maintaining open channels of communication and valuing customer feedback at every stage, we are able to shape offerings that resonate more deeply and add greater value.

Ultimately, customer-centric innovation at Clara Industries is not a one-time initiative but an ongoing commitment. It is about building an organisation that listens, learns, and adapts—one that puts customer satisfaction at the heart of its growth strategy. This philosophy continues to guide our investments, partnerships, and



initiatives, allowing us to evolve in step with those who rely on us.

## OPERATIONAL EFFICIENCY

Operational efficiency lies at the core of Clara Industries' success and growth journey. We recognise that in today's competitive landscape, efficiency is not only about reducing costs but also about ensuring consistency, reliability, and speed across every stage of our operations. Through careful planning, disciplined execution, and continuous improvement, we have built processes that allow us to maximise output while maintaining the highest standards of quality.

Our three manufacturing units operate in a well-coordinated manner, enabling us to balance production across diverse product lines and respond quickly to market demands. Automation and modern machinery support accuracy and precision, while streamlined workflows minimise wastage and downtime. By integrating technology with skilled manpower, we ensure that every step of production is both productive and adaptable.

Efficiency for us also extends beyond the shop floor. From supply chain management to distribution and customer service, we focus on optimising resources and improving turnaround times. This commitment to operational excellence not only strengthens our competitiveness but also allows us to deliver greater value to our customers while driving sustainable growth.

## FUTURE GROWTH MISSION

At Clara Industries, our vision for the future is driven by a strong belief in sustainable expansion and continuous value creation. We see growth not merely as an increase in scale but as an opportunity to diversify, innovate, and strengthen our role in the industries we serve. Our mission is to build on the foundation of trust, quality, and efficiency that has brought us this far, while setting ambitious goals for the years ahead.

One of the key milestones in our growth journey is the upcoming establishment of a new woven sack plant. This facility will add significant capacity to our portfolio, enabling us to enter new markets and serve existing customers with enhanced offerings. The addition reflects our strategy of aligning investments with industry demand and ensuring that our manufacturing capabilities remain future-ready.

Beyond capacity expansion, we are committed to adopting advanced technologies, exploring new product segments, and enhancing our sustainability practices. By combining innovation with responsible growth, we aim to not only increase our market presence but also contribute positively to the communities and industries we touch. Our mission is clear: to shape Clara Industries into a diversified, future-focused organisation with growth that is both steady and meaningful.

## FINANCIAL OVERVIEW

## PERFORMANCE

The financial year under review was marked by a softer performance compared to the previous year, reflecting the impact of global macroeconomic challenges, raw material price volatility, and the commissioning of new capacity. While revenue and profitability moderated, these outcomes were anticipated as part of the company's transition phase, with resources strategically directed toward expansion and strengthening operational capabilities.

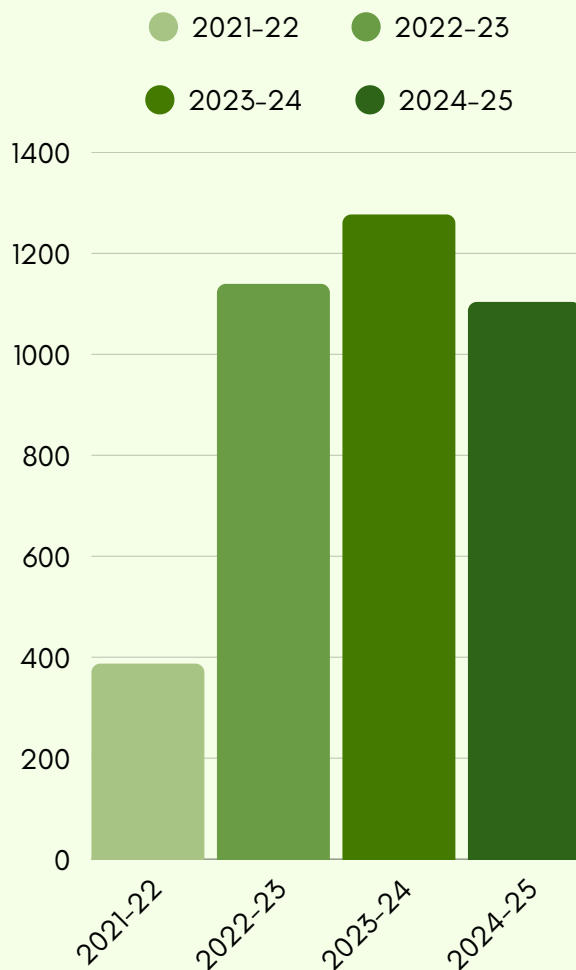
Despite the short-term decline, Clara Industries Limited maintained a sound financial position, with disciplined cost management and steady cash flows supporting stability. Investments in new units, including the woven sack plant, alongside ongoing modernization of machinery, underline the company's commitment to building a stronger growth platform. With a diversified product portfolio and a resilient business model, the

company remains well-positioned to regain momentum and deliver sustainable value creation in the years ahead.

During FY 2024-25, the company recorded a moderation in its overall financial performance compared to the previous year. Revenue declined slightly due to elevated raw material costs, global demand fluctuations, and the ramp-up phase of the newly commissioned unit. Profitability was also impacted as strategic investments were directed toward expansion and capacity building.

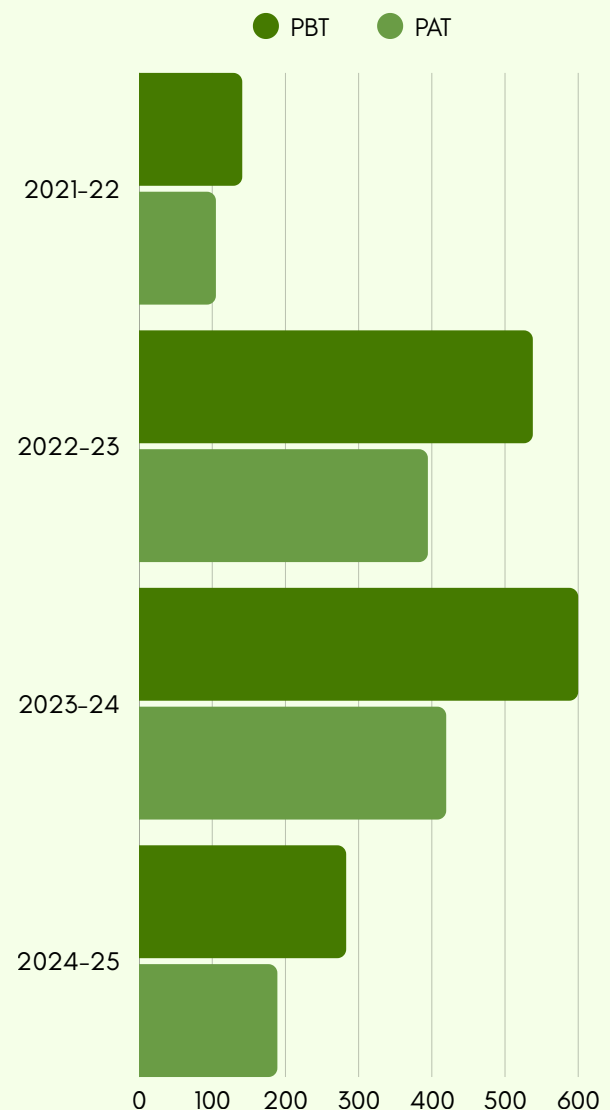
### Revenue

Total revenue for the year reflected a marginal decline as compared to FY 2023-24. The dip was largely cyclical, influenced by raw material price volatility and a slower-than-expected demand recovery. However, the long-term growth trajectory remains intact, supported by structural industry drivers.



### Profitability

Profit before tax (PBT) and profit after tax (PAT) moderated in line with revenue performance and expansion-related costs. These figures are expected to recover in the upcoming periods as the benefits of enhanced capacity, product diversification, and efficiency measures begin to materialize.



### Future Outlook

With the commissioning of the woven sack plant, adoption of advanced technologies, and diversification into new product categories, Clara Industries is strategically positioned for a rebound in performance and sustained value creation over the medium to long term.

## OPPORTUNITIES AND THREATS

### OPPORTUNITIES

The flexible packaging industry in India is entering a new era of expansion, presenting Clara Industries with significant opportunities to scale and diversify. Rapid urbanisation, shifting consumption patterns, and rising awareness around sustainability are creating new avenues where innovation and efficiency in packaging are highly valued. For companies with strong manufacturing capabilities and a versatile product range, this evolving landscape offers considerable potential to strengthen market position and capture emerging demand.

#### E-commerce and Digital Retail Growth

The explosive growth of e-commerce and quick-commerce platforms has reshaped how products are packaged, stored, and delivered. Lightweight, durable, and cost-efficient packaging is increasingly in demand to ensure products are transported safely while keeping logistics costs low. This trend creates a vast opportunity for Clara Industries to supply packaging solutions that meet the unique needs of online retail, particularly as the market expands beyond metros into tier-2 and tier-3 cities.

#### FMCG and Food Delivery Expansion

India's FMCG sector, supported by rising incomes and lifestyle shifts, continues to grow at a strong pace. Simultaneously, the food delivery and takeaway segment is becoming mainstream, with millions of households now relying on these services regularly. These dynamics are driving demand for packaging that combines functionality with safety and hygiene. Products such as food wraps, cling films, and tamper-proof solutions are expected to witness higher adoption, providing an avenue for consistent volume growth.

#### Sustainability and Regulatory Push

The regulatory landscape is increasingly focused on sustainability, with initiatives

such as Extended Producer Responsibility (EPR), the ban on single-use plastics, and FSSAI's guidelines on food-safe materials. While these changes raise compliance requirements, they also create opportunities for companies that proactively align with eco-friendly practices. Clara Industries is well positioned to take advantage of this shift by offering recyclable, reusable, and environmentally responsible products. As global brands in India look for supply chain partners with strong green credentials, this alignment can become a significant competitive advantage.

#### Diversification Through Woven Sack Plant

The establishment of a new woven sack plant presents a strategic growth avenue by expanding the company's presence into bulk and industrial packaging. Woven sacks are widely used in agriculture, cement, fertilizers, and other industrial sectors, all of which are witnessing rising demand in India's growth story. This diversification not only reduces dependence on a single segment but also positions Clara Industries to serve a much broader customer base, ensuring resilience in changing market conditions.

#### Global Market Entry

Beyond domestic expansion, the flexible packaging industry also offers opportunities for increased global participation. With India emerging as a preferred hub for cost-efficient and high-quality manufacturing, exports of packaging products are expected to rise steadily. By leveraging modern machinery, strong product quality, and compliance with international standards, Clara Industries can strengthen its foothold in overseas markets, creating an additional growth stream for the years ahead.

### THREATS

While the flexible packaging industry offers significant growth opportunities, it is also shaped by challenges that can impact profitability and long-term sustainability.

These threats, if not managed proactively, may create obstacles in scaling operations or maintaining competitiveness in a fast-evolving marketplace. Recognising these challenges is the first step toward building strategies that mitigate risks and strengthen resilience.

### **Raw Material Price Volatility**

One of the most pressing threats for the packaging industry is the fluctuation in raw material prices, particularly polymers derived from crude oil. Any sharp increase in crude oil prices directly inflates input costs, compressing margins for packaging manufacturers. For companies operating in a highly competitive market where cost efficiency is critical, this volatility poses a substantial risk. Moreover, disruptions in global supply chains, as seen in recent years, can exacerbate the challenge by limiting availability and delaying procurement.

### **Regulatory and Compliance Pressures**

The tightening of environmental regulations, while creating opportunities for sustainable products, also brings significant compliance challenges. Policies such as the Plastic Waste Management Rules, the ban on single-use plastics, and evolving FSSAI standards require companies to continuously adapt their processes, materials, and supply chains. Non-compliance can result in financial penalties, reputational damage, and loss of market access. For smaller manufacturers, keeping pace with these changes is especially difficult, but even larger companies must consistently invest in research and compliance systems to stay aligned with evolving requirements.

### **Intense Market Competition**

The packaging industry in India is fragmented, with the presence of numerous regional players as well as large-scale multinational corporations. Intense price competition is common, leading to pressure on margins and limiting the scope for aggressive pricing strategies. The rapid

pace of innovation also means that products can quickly become outdated, requiring continuous investment in technology and R&D. In such a landscape, differentiation through quality, innovation, and customer trust becomes essential to maintaining a strong position.

### **Environmental and Social Perception**

Plastic packaging continues to be viewed critically in public discourse due to its association with waste and pollution. While flexible packaging offers efficiency and recyclability in many cases, negative consumer sentiment around plastics can affect demand. Growing environmental activism and shifting consumer preferences toward biodegradable alternatives could challenge traditional packaging solutions. Companies that fail to address these perceptions with sustainable innovations risk being sidelined in favour of more eco-friendly competitors.

### **Global and Macroeconomic Uncertainty**

Broader macroeconomic and geopolitical risks also play a role in shaping the industry's outlook. Currency fluctuations, trade restrictions, or global slowdowns can disrupt export markets and raise operational costs. Events such as the Covid-19 pandemic and supply chain crises have highlighted the vulnerability of globalised industries. For packaging companies aiming to expand globally, these uncertainties remain an ever-present risk that requires strategic preparedness.

The Indian flexible packaging industry presents a compelling mix of growth opportunities and critical challenges. While rising demand from sectors such as e-commerce, FMCG, and pharmaceuticals, alongside sustainability-driven innovation, is creating strong tailwinds, issues such as raw material volatility, regulatory pressures, and environmental concerns demand careful navigation. Companies that are able to balance opportunity with preparedness by innovating responsibly will be best positioned to sustain growth and create long-term value.

## **FUTURE OUTLOOK AND ROADMAP**

As the global and Indian packaging landscape continues to evolve, Clara Industries is entering a transformative phase of growth. The next few years will be defined not only by expanding market opportunities but also by our ability to innovate responsibly, adapt to regulatory shifts, and strengthen our position as a trusted partner to diverse industries. The company's focus will remain on aligning its strategies with changing consumer behavior, the demand for sustainable solutions, and the growing role of technology in packaging. Our roadmap, therefore, is designed to capture growth while building resilience and ensuring long-term value creation.

### **Industry Alignment and Growth Vision**

India's flexible packaging market is projected to grow at a double-digit pace, fueled by rising urbanization, increased consumer spending, and the rapid adoption of organized retail and e-commerce. Clara Industries intends to leverage this momentum by expanding its product portfolio and strengthening its footprint across high-demand categories such as food, pharmaceuticals, and personal care. With increasing government emphasis on sustainability and responsible waste management, we see a strong opportunity to position our products as both eco-friendly and cost-effective. Our long-term vision is not only to grow alongside the market but also to play a leadership role in shaping packaging trends that address both convenience and responsibility.

### **Investment in Capacity and Infrastructure**

The roadmap for the coming years involves significant investments in expanding our production capacity. A key milestone will be the establishment of the new woven sack plant, which represents a strategic step into a complementary business line

with strong demand prospects in agriculture, cement, and industrial applications. Additionally, our existing three units will undergo continuous modernization, focusing on advanced machinery, automation, and digitization to improve efficiency and ensure consistent quality. By combining scale with technology, Clara Industries will be better positioned to meet rising domestic and international demand.

### **Driving Innovation and Sustainability**

Innovation will be central to our strategy going forward. As consumer expectations shift toward recyclable, reusable, and traceable packaging, we plan to accelerate R&D initiatives in eco-friendly materials, biodegradable solutions, and smart packaging technologies. Partnerships with recyclers, raw material suppliers, and technology providers will be instrumental in this journey. Beyond product innovation, sustainability will be embedded in our operations through energy efficiency, waste reduction, and adoption of renewable energy wherever feasible. These initiatives not only align with global trends but also reinforce our responsibility toward environmental stewardship.

### **Strengthening Market Presence**

Clara Industries aims to consolidate its position in the domestic market while exploring growth opportunities in exports. The Indian subcontinent's role as a manufacturing hub provides us with a unique advantage to cater to global customers seeking cost-efficient and quality packaging solutions. Strategic alliances, expanded distribution networks, and closer engagement with end-user industries will ensure that we remain agile and responsive to changing market dynamics. By strengthening customer relationships and offering value-added services, we aspire to be recognized not just as a supplier, but as a long-term strategic partner.



## Embracing Digital Transformation

The packaging sector is increasingly being reshaped by digital technologies, and Clara Industries intends to stay ahead of the curve. The integration of ERP systems, data-driven decision-making tools, and digital quality monitoring will be prioritized across our units. Looking forward, the adoption of AI-driven design processes, IoT-enabled machinery, and smart packaging features will further enhance our operational efficiency and customer engagement. Digitalization is not just a tool for efficiency—it is a key enabler of transparency, compliance, and long-term competitiveness.

## Talent and Organizational Development

Growth is not possible without a strong and adaptive workforce. Clara Industries recognizes the need to invest in its people through training, upskilling, and leadership development programs. The company's roadmap includes initiatives to foster a culture of innovation, accountability, and collaboration. By creating an environment that values both performance and well-being, we will continue to attract and retain talent that drives our ambitions forward.

## Outlook Beyond 2029

Looking ahead to the end of this decade, Clara Industries envisions itself as a diversified, innovation-led, and sustainability-driven packaging company with a strong presence across both domestic and international markets. The combined impact of capacity expansion, product innovation, digital transformation, and a customer-centric mindset will enable us to achieve sustained growth. While challenges such as raw material volatility and regulatory pressures will persist, our roadmap is designed to balance risks with opportunities, ensuring resilience and consistent value creation.

## SUSTAINABILITY

### Commitment to Responsible Growth

At Clara Industries, sustainability is not a separate initiative but an integral part of how we operate, innovate, and grow. We recognize that the packaging industry is at the center of global discussions on waste management, climate change, and consumer safety. As a responsible player, we are committed to reducing environmental impact while delivering high-quality packaging solutions that meet modern demands. Our approach balances three priorities—economic performance, environmental stewardship, and social responsibility—ensuring long-term value creation for all stakeholders.

### Environmental Responsibility

One of our most critical responsibilities lies in addressing the environmental challenges posed by plastic waste. We have taken significant steps to minimize our ecological footprint by adopting lightweight packaging formats that use fewer resources and generate lower emissions during transportation. Efforts are underway to increase the use of recyclable and reusable materials across our product portfolio, in line with global sustainability benchmarks.

Our three manufacturing units are being upgraded with energy-efficient systems, water conservation measures, and waste segregation practices. Investments in modern extrusion and printing technologies have not only enhanced production quality but also reduced scrap generation and energy consumption. Over the coming years, we aim to further integrate renewable energy sources into our operations and strengthen partnerships with recyclers to promote a circular economy in packaging.

### Product Innovation for a Circular Future

Sustainability in packaging is no longer

limited to compliance—it is a driver of consumer choice and brand differentiation. Clara Industries is aligning its product development strategy with this new reality. From metallised food wraps that reduce dependency on harmful aluminum foils to eco-conscious cling films and recyclable horticulture bags, our innovations are designed with both functionality and environmental impact in mind.

## Product Innovation for a Circular Future

Sustainability in packaging is no longer limited to compliance—it is a driver of consumer choice and brand differentiation. Clara Industries is aligning its product development strategy with this new reality. From metallised food wraps that reduce dependency on harmful aluminum foils to eco-conscious cling films and recyclable horticulture bags, our innovations are designed with both functionality and environmental impact in mind.

We are also preparing to embrace upcoming regulatory mandates such as Extended Producer Responsibility (EPR) by developing products that meet requirements for recycled content, traceability, and reuse. By embedding sustainability in our product portfolio, we are not only staying ahead of compliance but also creating meaningful choices for customers seeking responsible packaging alternatives.

## Social Responsibility and Community Engagement

Sustainability extends beyond the environment to the communities where we operate. Clara Industries is deeply committed to contributing to social development through responsible employment, skill development, and local community initiatives. By creating opportunities for local talent and supporting micro-enterprises, we foster inclusive growth that benefits both the business and society at large.

Our CSR initiatives, including financial aid programs and community outreach, are directed toward improving education, healthcare, and social security in regions around our manufacturing hubs. Through such programs, we aim to play a role in uplifting communities while building goodwill and trust with stakeholders.

## Compliance and Governance

We believe that strong governance is the foundation of sustainability. Clara Industries adheres strictly to all applicable environmental and safety regulations, including the Plastic Waste Management Rules, EPR guidelines, and FSSAI regulations for food-grade materials. Regular internal audits, external certifications, and transparent disclosures ensure accountability in every aspect of our operations. Going forward, we will continue to strengthen traceability, data-driven monitoring, and reporting systems to enhance compliance while maintaining transparency with our stakeholders.

## Roadmap for a Sustainable Tomorrow

Our sustainability roadmap is designed with clear objectives: to reduce waste at source, improve recyclability, and optimize energy use. In the near term, we are focused on integrating recyclable materials into mainstream production and expanding collection and reuse programs. Over the medium to long term, our targets include a higher share of renewable energy, zero landfill status across units, and partnerships for large-scale recycling projects.

Clara Industries envisions becoming a leader in sustainable packaging by 2030, building a future where every product we create not only fulfills the functional needs of customers but also leaves a positive imprint on the planet. Our vision is rooted in the belief that packaging can go beyond utility—it can inspire confidence, protect resources, and promote circularity. To achieve this, we are committed to

continuously rethinking materials, processes, and business models in ways that reduce waste and extend product lifecycles.

This journey calls for more than just technological upgrades; it requires a culture of responsibility and innovation across the organization. We are fostering partnerships with suppliers, recyclers, policymakers, and customers to co-create solutions that make sustainability practical and scalable. At the same time, we recognize that our people are the driving force behind this vision, and their collective effort and shared purpose will shape how far and how fast we progress.

By combining innovation with accountability and collaboration with ambition, Clara Industries aims to set new benchmarks for sustainable growth in the packaging industry. Our roadmap is clear: to design with responsibility, produce with efficiency, and deliver with integrity, so that our impact extends beyond profits to the well-being of society and the health of our planet.

## **SIGNIFICANT ACCOUNTING POLICIES AND NOTES**

### **Basis of Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). These statements comply, in all material respects, with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements are prepared on an accrual basis under the historical cost convention. The accounting policies have been applied consistently, except where a departure is specifically stated.

### **Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates, judgments, and assumptions that affect the reported amounts of assets, liabilities, income, and expenses, as well as the disclosure of contingent liabilities at the reporting date. These estimates are based on management's best knowledge of current events and expected future outcomes. However, actual results may differ, requiring adjustments to carrying values in subsequent periods.

### **Property, Plant & Equipment and Intangible Assets**

Property, plant, and equipment are carried at cost of acquisition or construction, net of accumulated depreciation and impairment losses, if any. Cost includes the purchase price and any directly attributable expenses necessary to bring the asset to its intended use. Expenditure on major improvements and additions is capitalized, while routine maintenance and repairs are charged to the Statement of Profit and Loss. Depreciation is provided on the Written Down Value method, based on the useful lives prescribed under Schedule II of the Companies Act, 2013, or as estimated by management. Assets are reviewed for impairment, and an impairment loss is recognized when the carrying amount exceeds the recoverable value. Such losses are reversed if there is an improvement in recoverable value.

### **Revenue Recognition**

Revenue is recognized when it is earned, measurable, and realizable, with no significant uncertainty regarding collection. Revenue from sale of goods is recognized upon transfer of ownership, delivery of products, and satisfaction of contractual obligations, with risks and rewards passed to customers. Revenue is presented net of indirect taxes such as Sales Tax and Goods & Services Tax (GST).

## Investments

Investments intended to be held for not more than one year are classified as current investments, while all others are classified as long-term investments. Investments are initially recorded at cost, including directly attributable acquisition costs such as brokerage and duties. Current investments are carried at the lower of cost or fair value, determined on an individual investment basis. Long-term investments are carried at cost, with provisions made for any decline in value that is other than temporary. On disposal, the difference between carrying value and sale proceeds is recognized in the Statement of Profit and Loss.

## Inventories

Raw materials and work-in-progress are valued at the lower of cost and net realizable value. Cost is determined on a First-in-First-out (FIFO) basis, while net realizable value represents the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The Company does not carry finished goods inventory as of the reporting date.

## Employee Benefits

Retirement benefits in the form of provident fund contributions are defined contribution schemes. The Company's contributions are charged to the Statement of Profit and Loss in the year during which the employee renders the related service.

## Taxation

Tax expense comprises current tax and deferred tax. Current tax is measured at amounts expected to be paid in accordance with the provisions of the Income Tax Act, 1961, as enacted or substantively enacted at the reporting date. Deferred tax is recognized on timing differences between taxable and

accounting income, using enacted or substantively enacted tax rates at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty of realization in future periods.

## Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets that take a substantial period to get ready for their intended use are capitalized as part of the cost of such assets. All other borrowing costs are recognized as an expense in the period in which they are incurred.

## Current Assets, Loans, and Advances

In the opinion of the Board, current assets, loans, and advances are realizable at least at the amounts stated in the Balance Sheet, in the normal course of business, and all liabilities are payable on demand or as agreed.





# INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

TO THE MEMBERS OF  
CLARA INDUSTRIES LIMITED

## **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying Financial Statements of **CLARA INDUSTRIES LIMITED** ('the Company'), which comprise the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss and the statement of Cash Flows for the year then ended and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

## **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2025, the profit and total income, and its cash flows for the year ended on that date.

## **BASIS FOR OPINION**

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

## **OTHER INFORMATION**

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

## **MANAGEMENT'S RESPONSIBILITY FOR THE 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 and presentation of



these Financial Statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### **AUDITOR'S RESPONSIBILITY**

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.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Financial Statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Financial Statements.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by sub-section 3 of Section 143 of the Act, we report that:

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

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

(c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder.

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company 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 company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 litigations in its Financial Statements.

ii. The Company did not have any long term contract including derivative contract which may lead to any foreseeable losses.

iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the period ended 31st March, 2025.

iv. During the year under audit, the Company has declared and paid an **Interim Dividend** of **5%**, i.e., **₹0.50 (Fifty paise)** per equity share of face value **₹10/- each**, fully paid up.

The **Record Date** for determining the eligibility of shareholders for the payment of the said Interim Dividend was **06th June, 2024**.

The payment of interim dividend is in compliance with the applicable provisions of the Companies Act, 2013 and relevant rules made thereunder.

v.

a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. The Management has represented, that, to the best of its knowledge and belief, no funds

(which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

**vi.** The proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, which mandates the use of accounting software having a feature of recording an audit trail (edit log) for maintaining books of account, became applicable to the Company with effect from April 1, 2023. Based on our examination, which included test checks, it was observed that the Company has used accounting software for maintaining its books of account which does not have the audit trail feature. Accordingly, the audit trail functionality has not been operated throughout the year for all relevant transactions recorded in the software. Further, the Company has also not preserved the audit trail as required under the said Rules.

**2.** As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**For Jay Gupta and Associates  
(Erstwhile Gupta Agarwal & Associates)  
Chartered Accountants  
Firm's Registration No: 329001E**

**Place : Kolkata  
Date : May 21 , 2025**

**Jay Shanker Gupta  
Partner  
Membership No: 059535  
UDIN: 25059535BMHCAY4756**

## **ANNEXURE - A**

### **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 **CLARA INDUSTRIES LIMITED** ("the Company") as of 31st March, 2025 in conjunction with our audit of the 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 with reference to Financial Statements.

#### **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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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 errors or frauds 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 31st March, 2025, 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 Jay Gupta and Associates  
(Erstwhile Gupta Agarwal & Associates)  
Chartered Accountants  
Firm's Registration No: 329001E**

**Place : Kolkata  
Date : May 21 , 2025**

**Jay Shanker Gupta  
Partner  
Membership No: 059535  
UDIN: 25059535BMHCAY4756**



## “ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 2 under the heading ‘Report on Other Legal & Regulatory Requirement’ of report of event date to the Financial Statements of the company for the year ended 31st March, 2025; we report that:

### 1. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS [Clause 3(i)]:

- (a) The company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.
- (b) The company is maintaining proper records showing full particulars of intangible assets.
- (c) As explained to us, these Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (d) The title deeds of immovable properties are held in the name of the company.
- (e) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (f) No proceedings have been initiated or are pending against the company for holding any Benami property under the “Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.

### 2. INVENTORY [Clause 3(ii)]

- (a) According to the information and explanations given to us, the physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate; and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The company has not been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate, from banks or financial institutions on the basis of security of current assets; hence reporting under clause 3(ii)(b) of the Order is not applicable to the company.

### 3. LOAN GIVEN BY COMPANY [Clause 3(iii)]

The company has not made any investments during the year. The Company has not granted secured/ unsecured loans/advances in nature of loans, to companies/firms/Limited Liability Partnerships/ other parties, or stood guarantee, or provided security to companies/ firms/ Limited Liability Partnerships/other parties.

The Company has not granted secured/ unsecured loans/ advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

### 4. LOAN TO DIRECTORS AND INVESTMENT BY COMPANY [Clause 3(iv)]

The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

### 5. DEPOSITS [Clause 3(v)]

According to the information and explanation given to us the company has not accepted

deposits from the public during the financial year under audit. Accordingly, the paragraph 3(v) of the order is not applicable to the company and hence not commented upon.

#### **6. COST RECORDS [Clause 3(vi)]**

As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

#### **7. STATUTORY DUES [Clause 3(vii)]**

(a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2025 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanations given to us there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.

#### **8. SURRENDERED OR DISCLOSED INCOME [Clause 3(viii)]**

There are no such transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

#### **9. REPAYMENT DUES [Clause 3(ix)]**

In our opinion and according to information and explanations given to us, the company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government.

According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been used for long-term purposes by the Company.

The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

#### **10. UTILISATION OF INTIAL AND FURTHER PUBLIC OFFER [Clause 3(x)]**

The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the period. Accordingly, the reporting under clause 3(x)

(a) of the Order is not applicable to the Company. However, During the financial year 2024-25, the Company issued 1,65,38,320 bonus equity shares of ₹10 each to its shareholders in the ratio of 4 (four) bonus equity shares for every 1 (one) existing equity

share held. The bonus issue was made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules thereunder, and was entirely funded out of the Company's free reserves.

The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

#### **11. FRAUD AND WHISTLE-BLOWER COMPLAINTS [Clause 3(xi)]**

To the best of our knowledge and according to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

Whistle-blower complaints have not been received during the year by the Company.

#### **12. NIDHI COMPANY [Clause 3(xii)]**

In our opinion and according to information and explanations given to us, clause (xii) of para 3 to Companies (Auditor's Report) Order, 2020 w.r.t. Nidhi Company is not applicable to company. Accordingly, the paragraph 3(xii) of the order is not applicable to the company and hence not commented upon.

#### **13. RELATED PARTY TRANSACTION [Clause 3(xiii)]**

The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

#### **14. INTERNAL AUDIT: [Clause 3(xiv)]**

The company have an internal audit system commensurate with the size and nature of its business for the financial period ended March 31, 2025 and the report of Internal auditor has been considered by us.

#### **15. NON-CASH TRANSACTION [Clause 3(xv)]**

In our opinion and according to information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the paragraph 3(xv) of the order is not applicable to the company and hence not commented upon.

#### **16. REGISTER WITH RBI ACT, 1934 [Clause 3(xvi)]**

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the paragraph 3(xvi) of the order is not applicable to the company.

The Company has not conducted any Non-Banking Financial or Housing Finance activities

during the year.

The Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India.

**17. CASH LOSSES [Clause 3(xvii)]**

The Company has not incurred cash losses during the period from 01st April, 2024 to 31st March, 2025 and in the immediately preceding financial year.

**18. RESIGNATION OF STATUTORY AUDITORS [Clause 3(xviii)]**

No auditor has resigned from the post of the statutory auditors during the period under review.

**19. MATERIAL UNCERTAINTY ON MEETING LIABILITIES [Clause 3(xix)]**

On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

**20. TRANSFER TO FUND SPECIFIED UNDER SCHEDULE VII OF COMPANIES ACT, 2013 [Clause 3(xx)]**

The provision relating to transfer to fund specified under schedule vii of the Companies Act, 2013 is not applicable to the company during the year.

However, the company is required to deposit unspent amount for the F.Y. 2024-25 to fund specified under schedule VII within September, 2025.

**21. ADVERSE REMARKS IN CONSOLIDATED FINANCIAL STATEMENTS [Clause 3(xxi)]**

The company is not required to prepare consolidated financial statement for the F.Y. 2024-2025.

**For Jay Gupta and Associates  
(Erstwhile Gupta Agarwal & Associates)  
Chartered Accountants  
Firm's Registration No: 329001E**

**Place : Kolkata  
Date : May 21 , 2025**

**Jay Shanker Gupta  
Partner  
Membership No: 059535  
UDIN: 25059535BMHCAY4756**

## BALANCE SHEET AS ON 31ST MARCH, 2025

(Rs. In lakhs, unless otherwise stated)

| Particulars                                                  | Note | As on<br>31st March,<br>2025 | As on<br>31st March,<br>2024 |
|--------------------------------------------------------------|------|------------------------------|------------------------------|
| <b><u>EQUITY AND LIABILITIES</u></b>                         |      |                              |                              |
| <b>Shareholders Funds:</b>                                   |      |                              |                              |
| Share Capital                                                | 3    | 2,067.29                     | 413.46                       |
| Reserves & Surplus                                           | 4    | 2,216.90                     | 3,702.38                     |
| Money Received Against Share Warrants                        |      |                              |                              |
|                                                              |      | <b>4,284.19</b>              | <b>4,115.84</b>              |
| <b>Share Application Money Pending Allotment</b>             |      | -                            | -                            |
| <b>Non-Current Liabilities</b>                               |      |                              |                              |
| Long-Term Borrowings                                         | 5    | 9.60                         | 9.60                         |
| Deferred Tax Liabilities (Net)                               | 11   | 3.61                         | -                            |
| Other Long Term Liabilities                                  |      | -                            | -                            |
| Long-Term Provisions                                         | 6    |                              |                              |
|                                                              |      | <b>13.21</b>                 | <b>9.60</b>                  |
| <b>Current Liabilities</b>                                   |      |                              |                              |
| Short-Term Borrowings                                        | 6    | 95.96                        | 150.77                       |
| Trade Payables                                               | 7    |                              |                              |
| - Due to Micro and Small Enterprises                         |      | 22.56                        | 22.68                        |
| - Due to Other than Micro and Small Enterprises              |      | -                            | 9.78                         |
| Other Current Liabilities                                    | 8    | 10.24                        | 104.17                       |
| Short-Term Provisions                                        | 9    | 69.83                        | 167.03                       |
|                                                              |      | <b>198.59</b>                | <b>454.43</b>                |
| <b>TOTAL</b>                                                 |      | <b>4,495.99</b>              | <b>4,579.86</b>              |
| <b><u>ASSETS</u></b>                                         |      |                              |                              |
| <b>Non-Current Assets</b>                                    |      |                              |                              |
| <b>Property, Plant &amp; Equipment and Intangible Assets</b> | 10   |                              |                              |
| - Property, Plant & Equipment                                |      | 725.46                       | 687.14                       |
| - Intangible Assets                                          |      | -                            | -                            |
| Capital Work-In-Progress                                     |      | -                            | -                            |
| Intangible Assets Under Development                          |      | -                            | -                            |
| Non-Current Investment                                       | 12   |                              |                              |
| Capital Work In Progress                                     |      |                              |                              |
| Deferred Tax Assets (Net)                                    | 11   | -                            | 0.13                         |
| Long Term Loans and Advances                                 | 14   | 405.50                       |                              |
| Other Non-Current Assets                                     |      |                              |                              |
|                                                              |      | <b>1,130.96</b>              | <b>687.27</b>                |
| <b>Current Assets</b>                                        |      |                              |                              |
| Inventories                                                  | 12   | 885.36                       | 714.95                       |
| Trade Receivables                                            | 13   | 764.69                       | 824.44                       |
| Cash and Cash Equivalents                                    | 14   | 101.46                       | 229.85                       |
| Short-Term Loans and Advances                                | 15   | 54.85                        | 54.85                        |
| Other Current Assets                                         | 16   | 1,558.68                     | 2,068.50                     |
|                                                              |      | <b>3,365.04</b>              | <b>3,892.60</b>              |
| <b>TOTAL</b>                                                 |      | <b>4,495.99</b>              | <b>4,579.86</b>              |
| Significant Accounting Policies                              | 2.1  |                              |                              |

### AS PER OUR REPORT OF EVEN DATE ATTACHED

#### For Clara Industries Limited

**Parry Kukreja**  
Managing Director  
DIN: 06649401

**Nikhil Kukreja**  
Director & CFO  
DIN: 06649387

**Pooja**  
Company Secretary  
Membership  
No:A36167

**Place : Saharanpur**  
**Date : May 21 , 2025**

**For Jay Gupta and Associates**  
**(Erstwhile Gupta Agarwal & Associates)**  
Chartered Accountants  
Firm's Registration No: 329001E

**Jay Shanker Gupta**  
Partner  
Membership No: 059535  
UDIN: 25059535BMHCAY4756

**Place : Kolkata**  
**Date : May 21 , 2025**



# STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2025

(Rs. In lakhs, unless otherwise stated)

| Particulars                                                      | Note | For the year ended on 31st March, 2025 | For the year ended on 31st March, 2024 |
|------------------------------------------------------------------|------|----------------------------------------|----------------------------------------|
| <b>Income :</b>                                                  |      |                                        |                                        |
| Revenue From Operations                                          | 17   | 1,077.89                               | 1,268.13                               |
|                                                                  |      | -                                      | -                                      |
| Other Income                                                     | 18   | 25.89                                  | 8.99                                   |
| <b>Total Income</b>                                              |      | <b>1,103.79</b>                        | <b>1,277.12</b>                        |
| <b>Expenses :</b>                                                |      |                                        |                                        |
| Cost Material Consumed                                           | 19   | 874.00                                 | 597.53                                 |
| Purchase of Stock in Trade                                       | 20   | -                                      | 21.25                                  |
| Changes in Inventories                                           | 21   | (130.16)                               | (58.58)                                |
| Employee Benefits Expense                                        | 22   | 7.35                                   | 27.53                                  |
| Finance Costs                                                    | 23   | 17.17                                  | 8.32                                   |
| Depreciation and Amortization Expense                            | 24   | 25.34                                  | 36.47                                  |
| Other Expenses                                                   | 25   | 27.11                                  | 35.67                                  |
| <b>Total Expenses</b>                                            |      | <b>820.82</b>                          | <b>668.20</b>                          |
| <b>Profit before exceptional and extraordinary items and tax</b> |      | <b>282.97</b>                          | <b>608.92</b>                          |
| Exceptional items                                                | 26   | -                                      | 8.63                                   |
| <b>Profit before extraordinary items and tax</b>                 |      | <b>282.97</b>                          | <b>600.29</b>                          |
| Extraordinary Items                                              |      | -                                      | -                                      |
| <b>Profit Before Tax</b>                                         |      | <b>282.97</b>                          | <b>600.29</b>                          |
| Tax Expense :                                                    |      |                                        |                                        |
| (1) Prior Year Taxes                                             |      |                                        |                                        |
| i) Current Tax                                                   |      | 67.48                                  | 158.36                                 |
| ii) Earlier years tax                                            |      | 22.72                                  | 22.34                                  |
| iii) Deferred Tax                                                |      | 3.74                                   | (0.09)                                 |
| <b>Profit / (Loss) for the period from continuing operations</b> |      | <b>189.03</b>                          | <b>419.67</b>                          |
| Profit / (loss) from discontinuing operations                    |      | -                                      | -                                      |
| Tax expense of discontinuing operations                          |      | -                                      | -                                      |
| Profit / (Loss) from Discontinuing operations after tax          |      | -                                      | -                                      |
| <b>Profit / (Loss) for the period</b>                            |      | <b>189.03</b>                          | <b>419.67</b>                          |
| Earnings Per Share (Rs.)                                         | 27   |                                        |                                        |
| Basic and Diluted (Rs)                                           |      | 0.91                                   | 2.07                                   |

## AS PER OUR REPORT OF EVEN DATE ATTACHED

### For Clara Industries Limited

**Parry Kukreja**  
**Managing Director**  
**DIN: 06649401**

**Nikhil Kukreja**  
**Director & CFO**  
**DIN: 06649387**

**Pooja**  
**Company Secretary**  
**Membership**  
**No:A36167**

**Place : Saharanpur**  
**Date : May 21 , 2025**

**For Jay Gupta and Associates**  
**(Erstwhile Gupta Agarwal & Associates)**  
**Chartered Accountants**  
**Firm's Registration No: 329001E**

**Jay Shanker Gupta**  
**Partner**  
**Membership No: 059535**  
**UDIN: 25059535BMHCAY4756**

**Place : Kolkata**  
**Date : May 21 , 2025**

# CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2025

(Rs. In lakhs, unless otherwise stated)

| Particulars                                                       | As on<br>31st March, 2025 | As on<br>31st March, 2024 |
|-------------------------------------------------------------------|---------------------------|---------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                     |                           |                           |
| Net profit before tax                                             | 282.97                    | 600.29                    |
| Adjustment for                                                    |                           |                           |
| Add: Depreciation and amortisation                                | 25.34                     | 36.47                     |
| Finance cost                                                      | 17.17                     | 8.32                      |
| Provision for CSR                                                 | -                         | 8.63                      |
| Payment of CSR                                                    | -                         | (6.83)                    |
|                                                                   | <b>325.48</b>             | <b>646.89</b>             |
| Less : Interest on Long term and current non-trade investments    |                           |                           |
| Interest on loans , deposits etc                                  | -                         | -                         |
|                                                                   | <b>325.48</b>             | <b>646.89</b>             |
| <b>Operating profit before working capital changes</b>            | <b>325.48</b>             | <b>646.89</b>             |
| <b>Changes in working capital :</b>                               |                           |                           |
| Adjustment for (increase)/decrease in operating assets :          |                           |                           |
| Add : Inventories                                                 | (170.40)                  | (426.82)                  |
| Trade receivables                                                 | 59.75                     | (99.61)                   |
| Other current assets                                              | 509.82                    | (1,959.09)                |
| Short term loans and advances                                     | -                         | 63.17                     |
|                                                                   | <b>724.65</b>             | <b>(1,775.47)</b>         |
| Adjustment for increase/(decrease) in operating liabilities :     |                           |                           |
| Add : Trade payables                                              | (9.90)                    | (27.03)                   |
| Other current liabilities                                         | (93.93)                   | 83.48                     |
| Short-term provisions                                             | (97.20)                   | -                         |
| <b>Cash generated from Operations</b>                             | <b>523.62</b>             | <b>(1,719.02)</b>         |
| Less: Prior Year Tax                                              | 22.72                     | 22.34                     |
| Less : Direct taxes paid                                          | 67.48                     | 139.22                    |
| <b>Net cash from Operating Activities (A)</b>                     | <b>433.41</b>             | <b>(1,880.58)</b>         |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                     |                           |                           |
| Long Term Loans and Advances                                      | (405.50)                  | -                         |
| Non-Current Investment                                            | -                         | -                         |
| Other non-current assets                                          | -                         | -                         |
| Interest received on investments                                  | -                         | -                         |
| Purchase of Fixed Assets                                          | (63.66)                   | (513.07)                  |
| Increase in Capital W-I-P                                         | -                         | -                         |
| <b>Net cash/(used) in Investing Activities (B)</b>                | <b>(469.16)</b>           | <b>(513.07)</b>           |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                     |                           |                           |
| Short Term Borrowings                                             | (54.81)                   | (250.62)                  |
| Long Term Borrowings                                              | -                         | -                         |
| Proceeds from Issue of Share Capital                              | -                         | 2,761.51                  |
| Right issue expenses                                              | -                         | -                         |
| Proceeds from IPO                                                 | -                         | -                         |
| Dividend paid                                                     | (20.67)                   | -                         |
| Interest paid                                                     | (17.17)                   | (8.32)                    |
| <b>Net cash/(used) in Financing Activities (C)</b>                | <b>(92.65)</b>            | <b>2,502.58</b>           |
| <b>D. INCREASE/(DECREASE) INCASH AND CASH EQUIVALENTS (A+B+C)</b> | <b>(128.40)</b>           | <b>108.93</b>             |
| <b>Cash and Cash Equivalents at the beginning of the year</b>     | <b>229.85</b>             | <b>120.93</b>             |
| <b>Cash and Cash Equivalents at the end of the year</b>           | <b>101.46</b>             | <b>229.85</b>             |

Note :

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

2. Previous year's figures have been regrouped/ reclassified to confirm to those of the Current Year

| 3. Cash & Cash Equivalents include:           | As on<br>31st March, 2025 | As on<br>31st March, 2024 |
|-----------------------------------------------|---------------------------|---------------------------|
| - Cash In Hand                                | 80.83                     | 143.05                    |
| - With Scheduled Banks<br>On Current Accounts | 20.63                     | 86.80                     |
|                                               | 101.46                    | 229.85                    |

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

**For Clara Industries Limited**

**Parry Kukreja**  
**Managing Director**  
**DIN: 06649401**

**Nikhil Kukreja**  
**Director & CFO**  
**DIN: 06649387**

**Pooja**  
**Company Secretary**  
**Membership**  
**No:A36167**

**Place : Saharanpur**  
**Date : May 21 , 2025**

**For Jay Gupta and Associates**  
**(Erstwhile Gupta Agarwal & Associates)**  
**Chartered Accountants**  
**Firm's Registration No: 329001E**

**Jay Shanker Gupta**  
**Partner**  
**Membership No: 059535**  
**UDIN: 25059535BMHCAY4756**

**Place : Kolkata**  
**Date : May 21 , 2025**



# NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

| Particulars                                                                                                              |  | (Amount Rs.<br>in Lakhs)     | (Amount Rs.<br>in Lakhs)     |
|--------------------------------------------------------------------------------------------------------------------------|--|------------------------------|------------------------------|
|                                                                                                                          |  | As on<br>31st March,<br>2025 | As on<br>31st March,<br>2024 |
| Note 3 -                                                                                                                 |  |                              |                              |
| a) Share Capital                                                                                                         |  |                              |                              |
| Authorised Share Capital                                                                                                 |  |                              |                              |
| Ordinary Equity Shares                                                                                                   |  |                              |                              |
| 2,10,00,000 equity shares of Rs.10/- each<br>(Previous year 1,10,00,000 equity shares)                                   |  | 2,100.00                     | 1,100.00                     |
|                                                                                                                          |  | 2,100.00                     | 1,100.00                     |
| Share Capital - Issued, Subscribed & Paid up                                                                             |  |                              |                              |
| Ordinary Equity Shares                                                                                                   |  |                              |                              |
| 4134580 equity shares of Rs.10/- each fully paid up<br>(Last Year 2480980 equity sharesof Rs.10/- each fully<br>paid up) |  | -                            | 413.46                       |
| 20672900 equity shares of Rs.10/- each fully paid up                                                                     |  |                              | -                            |
|                                                                                                                          |  | -                            | 413.46                       |

## b. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

| Particulars                                  | As on<br>31st March, 2025 |                 | As on<br>31st March, 2024 |                 |
|----------------------------------------------|---------------------------|-----------------|---------------------------|-----------------|
|                                              | No of shares              | Amount in Lakhs | No of shares              | Amount in Lakhs |
| <b>Ordinary Equity Shares</b>                |                           |                 |                           |                 |
| Equity shares at the beginning of the period | 4,134,580                 | 413.46          | 2,480,980                 | 248.10          |
| Add : Shares issued against BTA              | -                         | -               | -                         | -               |
| Add : Preferential allotment                 | -                         | -               | -                         | -               |
| Add : Bonus Issue                            | 16,538,320                | 1,653.83        | -                         | -               |
| Add : Fresh issue through IPO                | -                         | -               | -                         | -               |
| Add : Right Issue                            | -                         | -               | 1,653,600                 | 165.36          |
| Outstanding at the end of the period         | 20,672,900                | 2,067.29        | 4,134,580                 | 413.46          |

### Note:

The Authorised Share Capital of the company was increased from 1,10,00,000 Equity Shares of Rs.10/- each to 21,10,00,000 Equity Shares of Rs. 10/- each vide resolution passed in members meeting dated 20th June, 2024.

During the year ended F.Y. 2024-25, the Company issued Bonus Share of 1,65,38,320 Shares of Rs. 10 each to the shareholders in the ratio of 4 (Four) bonus equity share against 1 (One) existing equity shares

### c. Terms / Rights attached to equity shares

#### Ordinary Equity shares :

Each holder of equity share is entitled to one vote irrespective of number of shares held. In event of liquidation of company the holder of equity shares would be entitled to receive remaining assets of the company after distribution of all preferential amounts.

#### d) Details of Promoters Shareholdings

| Promoters & Promoter Group | Share held by Promoter and Promoters Group |              |                  |              |                          |
|----------------------------|--------------------------------------------|--------------|------------------|--------------|--------------------------|
|                            | As at 31.03.2025                           |              | As at 31.03.2024 |              | % Change during the Year |
| Name of the Shareholders   | No. of shares                              | % of Shares  | No. of shares    | % of Shares  |                          |
| NIKHIL KUKREJA             | 3,002,050                                  | 14.52        | 608,710          | 14.72        | 393.18                   |
| PARRY KUKREJA              | 7,529,140                                  | 36.42        | 1,505,828        | 36.42        | 400.00                   |
| <b>TOTAL</b>               | <b>10,531,190</b>                          | <b>50.94</b> | <b>2,114,538</b> | <b>51.14</b> | <b>793.18</b>            |

#### e. The details of shareholders holding more than 5% shares

| Ordinary Equity Shares       | As at 31.03.2025 |             | As at 31.03.2024 |             | % Change during the Year |
|------------------------------|------------------|-------------|------------------|-------------|--------------------------|
|                              | No of shares     | % of Shares | No of shares     | % of Shares |                          |
| NIKHIL KUKREJA               | 3,002,050        | 14.52       | 608,710          | 14.72       | 393.18                   |
| PARRY KUKREJA                | 7,529,140        | 36.42       | 1,505,828        | 36.42       | 400.00                   |
| GRETEX SHARE BROKING LIMITED | 203,750          | 0.99        | 280,840          | 6.79        | (27.45)                  |

#### Note 4-

| Reserves & Surplus                  | (Amount Rs. in Lakhs)  | (Amount Rs. in Lakhs)  |
|-------------------------------------|------------------------|------------------------|
| Particulars                         | As on 31st March, 2025 | As on 31st March, 2024 |
| <b>Securities Premium</b>           |                        |                        |
| As at beginning of the period       | 2,783.04               | 186.89                 |
| Add: Additions during the year      | -                      | 2,596.15               |
| Less: Bonus Issued                  | 1,653.83               | -                      |
| Less: Right Issue Expenses          | -                      | -                      |
|                                     | <b>1,129.21</b>        | <b>2,783.04</b>        |
| <b>Profit &amp; Loss Account</b>    |                        |                        |
| As per last balance sheet           | 919.34                 | 499.67                 |
| Add: Current Year's Profit / (Loss) | 189.03                 | 419.67                 |
| Less: Dividend payment              | (20.67)                | -                      |
|                                     | <b>1,087.70</b>        | <b>919.34</b>          |
|                                     | <b>2,216.90</b>        | <b>3,702.38</b>        |

#### Note 5-

| Long Term Borrowings                                                | (Amount Rs. in Lakhs)  | (Amount Rs. in Lakhs)  |
|---------------------------------------------------------------------|------------------------|------------------------|
| Particulars                                                         | As on 31st March, 2025 | As on 31st March, 2024 |
| <b>Unsecured</b>                                                    |                        |                        |
| From Other Parties                                                  | 9.60                   | 9.60                   |
|                                                                     | <b>9.60</b>            | <b>9.60</b>            |
| <b>Less: Current maturities of long term debt</b>                   | -                      | -                      |
| (Balances of Unsecured loans are subjected to ledger confirmations) | <b>9.60</b>            | <b>9.60</b>            |



## Note 6-

| Short Term Borrowings    | (Amount Rs. in Lakhs)  | (Amount Rs. in Lakhs)  |
|--------------------------|------------------------|------------------------|
| Particulars              | As on 31st March, 2025 | As on 31st March, 2024 |
| <b>Secured</b>           | -                      | -                      |
| Overdraft Limit from PNB | -                      | 50.62                  |
| Loan from Bank of Baroda | 95.96                  | 99.72                  |
| <b>Unsecured</b>         | -                      | -                      |
| From Directors           | -                      | 0.43                   |
|                          | <b>95.96</b>           | <b>150.77</b>          |

## Note:

Overdraft facility Availed From Punjab National Bank at the ROI of 10.30%, Secured With collateral as property of Parry Kukreja at Vill- Simbhalka, Sahranpur, UP- 247001 and guarantee of M/s. Chand plastic corporation.

Note: Overdraft facility Availed From Bank of Baroda of Rs. 100.00 lakhs at the ROI of 10.65%, Secured With collateral as personal property of Mr. Nikhil Kukreja at 4/911 Jaffar Nawaz, Saharanpur, Pin- 247001.

## Note 7-

| Trade Payables                                  | (Amount Rs. in Lakhs)  | (Amount Rs. in Lakhs)  |
|-------------------------------------------------|------------------------|------------------------|
| Particulars                                     | As on 31st March, 2025 | As on 31st March, 2024 |
| Trade Payables                                  | -                      | -                      |
| - Due to Micro and Small enterprises            | 22.56                  | 22.68                  |
| - Due to Other than Micro and Small enterprises | -                      | 9.78                   |
|                                                 | <b>22.56</b>           | <b>32.46</b>           |

(Trade payables has been taken as certified by the management of the company, balances are subjected to ledger confirmations) Segregation of trade payables as due to MSME and Other than MSME are certified by management.

The Company has the process of identification of 'suppliers' registered under the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006, by obtaining confirmations from all suppliers. The above disclosure has been extracted from the Audited financial Statements of the Company from the respective year.

Ageing of the Supplier, along with any amount involved in disputes as required by Schedule III of Companies Act, 2013 is disclosed below after it becomes due for payment. In case of no credit terms defined the break-up of agewise supplier balance is given below after considering from the date of transactions.

| PARTICULARS            | Ageing schedule of Trade payables |                  |
|------------------------|-----------------------------------|------------------|
|                        | As on 31.03.2025                  | As on 31.03.2024 |
| <b>Undisputed dues</b> |                                   |                  |
| Less than 1 years      | 22.56                             | 32.46            |
| 1-2 yrs                |                                   |                  |
| 2-3 yrs                |                                   |                  |
| More Than 3 yrs        |                                   |                  |
| <b>TOTAL</b>           | <b>22.56</b>                      | <b>32.46</b>     |

**Note 8 -**

| Other Current Liabilities      | (Amount Rs. in Lakhs)  | (Amount Rs. in Lakhs)  |
|--------------------------------|------------------------|------------------------|
|                                | As on 31st March, 2025 | As on 31st March, 2024 |
| Particulars                    |                        |                        |
| Audit Fees payable             | 1.15                   | 1.15                   |
| Directors Remuneration Payable | -                      | 0.10                   |
| Advance from Debtors           | 8.93                   | 95.09                  |
| Dividend payable               | 0.06                   |                        |
| TDS payable                    | 0.11                   | 7.83                   |
|                                | <b>10.24</b>           | <b>104.17</b>          |

**Note 9 -**

**Short Term Provision**

|                            |              |               |
|----------------------------|--------------|---------------|
| Income Tax Payable         | 67.48        | 158.36        |
| Provision for CSR expenses | 2.35         | 8.67          |
|                            | -            |               |
|                            | <b>69.83</b> | <b>167.03</b> |

**Note 11 - Deferred Tax (Asset)/Liability**

|                              |             |               |
|------------------------------|-------------|---------------|
| Deferred Tax Asset           | (0.13)      | (0.04)        |
| Add : Current Year Provision | 3.74        | (0.09)        |
|                              | <b>3.61</b> | <b>(0.13)</b> |

**Note 12 - Long Term Loans & Advances**

|                                       |               |          |
|---------------------------------------|---------------|----------|
| Capital Advance- Advance for Property | 405.50        |          |
|                                       | <b>405.50</b> | <b>-</b> |

**Note 12 - Inventories**

|                  |               |               |
|------------------|---------------|---------------|
| Raw Material     | 589.78        | 549.54        |
| Work in Progress | 295.57        | 165.42        |
|                  | <b>885.36</b> | <b>714.95</b> |

(Value of inventories has been valued & certified by Management of the company)

**Note 13 - Trade Receivable**

(Unsecured considered good by the Management)

|                                                   |               |               |
|---------------------------------------------------|---------------|---------------|
| Trade Receivables                                 |               |               |
| Debts outstanding for period less than six months | 715.17        | 564.14        |
| Debts outstanding for period exceeding six months | 49.52         | 260           |
|                                                   | <b>764.69</b> | <b>824.44</b> |

(Trade receivables has been taken as certified by the management of the company, balances are subjected to ledger confirmations  
As per the view of the management of the company there is no doubtful debt and hence provision for doubtful debts have not been made)

| Ageing schedule of Trade Receivables |                                     |               |
|--------------------------------------|-------------------------------------|---------------|
| PARTICULARS                          | Ageing Schedule of Trade Receivable |               |
|                                      | 31.03.2025                          | 31.03.2024    |
| Less than 6 months                   | 529.86                              | 564.14        |
| 6 months- 1 year                     | 32.41                               | 260.30        |
| 1-2 yrs                              | 49.52                               | -             |
| 2-3 yrs                              | 153                                 | -             |
| More Than 3 yrs                      |                                     | -             |
| <b>TOTAL</b>                         | <b>764.69</b>                       | <b>824.44</b> |

| <b>Note 14 - Cash &amp; Bank Balances</b>        | (Amount Rs. in Lakhs)  | (Amount Rs. in Lakhs)  |
|--------------------------------------------------|------------------------|------------------------|
| Particulars                                      | As on 31st March, 2025 | As on 31st March, 2024 |
| Cash In Hand                                     | 80.83                  | 143.05                 |
| <b>Balances With Banks (Current A/c)</b>         |                        |                        |
| AXIS BANK RIGHT ISSUE A/C                        | 20.63                  | 0.20                   |
| Bank of Baroda C/A                               | -                      | 38.96                  |
| ICICI Bank                                       | -                      | 0.10                   |
| PNB                                              | -                      | 47.46                  |
| Union Bank                                       | -                      | 0.09                   |
|                                                  | <b>101.46</b>          | <b>229.85</b>          |
| <b>Note 15 - Short Term Loans &amp; advances</b> |                        |                        |
| (Unsecured considered good by the Management)    |                        |                        |
| Security Deposits                                | 34.85                  | 34.85                  |
| Advance given against Property Purchase          | 20.00                  | 20.00                  |
| (Balances are subjected to ledger confirmations) |                        |                        |
|                                                  | <b>54.85</b>           | <b>54.85</b>           |
| <b>Note 16 - Other Current Assets</b>            |                        |                        |
| Advance given to supplier                        | 1,464.48               | 1,992.83               |
| GST receivable                                   | 94.16                  | 70.81                  |
| TDS & TCS Receivable                             | 0.04                   | 4.86                   |
|                                                  | <b>1,558.68</b>        | <b>2,068.50</b>        |

| Particulars                        | Amount (Rs. in Lakhs.)                 | Amount (Rs. in Lakhs.)                 |
|------------------------------------|----------------------------------------|----------------------------------------|
|                                    | For the year ended on 31st March, 2025 | For the year ended on 31st March, 2024 |
| <b>Note 17 -</b>                   |                                        |                                        |
| <b>Revenue from operations</b>     |                                        |                                        |
| <b>Sale of Manufactured goods:</b> |                                        |                                        |
| Packing Products                   | 532.52                                 | 640.42                                 |
| Plastic Mats                       | 545.37                                 | 607.63                                 |
| <b>Sale of Traded goods:</b>       |                                        |                                        |
| Sale of stock in trade             | -                                      | 20.08                                  |
| <b>Total</b>                       | <b>1,077.89</b>                        | <b>1,268.13</b>                        |
| <b>Note 18 -</b>                   |                                        |                                        |
| <b>Other Income</b>                |                                        |                                        |
| Discount Received                  | 2.89                                   | 8.99                                   |
| Consultancy Income                 | 23.00                                  |                                        |
|                                    | <b>25.89</b>                           | <b>8.99</b>                            |
| <b>Note 19 -</b>                   |                                        |                                        |
| <b>Cost of Material Consumed</b>   |                                        |                                        |
| Opening Stock of Raw material      | 549.54                                 | 181.30                                 |
| Add: Purchases during the year     | 842.36                                 | 900.93                                 |
|                                    | <b>1,391.89</b>                        | <b>1,082.23</b>                        |



|                                     |               |               |
|-------------------------------------|---------------|---------------|
| <b>Add: Direct Expenses:</b>        |               |               |
| Power                               | 35.83         | 34.22         |
| Freight                             | 0.46          | 1.65          |
| Job Work                            | 0.23          | -             |
| Other Direct expenses               | 7.87          | 5.89          |
| Labour charges                      | 27.50         | 23.08         |
|                                     | 1,463.78      | 1,147.07      |
| Less: Closing Stock of Raw material | 589.78        | 549.54        |
|                                     | <b>874.00</b> | <b>597.53</b> |

**Note:**

The consumption of materials is derived after adjusting the opening & the closing inventory of materials & therefore not reflected separately.

The value of Closing stock is considered as per AS-2 as certified by the management.

| Particulars                                        | Amount (Rs. in Lakhs.)                 | Amount (Rs. in Lakhs.)                 |
|----------------------------------------------------|----------------------------------------|----------------------------------------|
|                                                    | For the year ended on 31st March, 2025 | For the year ended on 31st March, 2024 |
| <b>Note 20 -</b>                                   |                                        |                                        |
| <b>Purchase of Stock in Trade</b>                  |                                        |                                        |
| Purchases during the year                          | -                                      | 21.25                                  |
|                                                    | -                                      | 21.25                                  |
| <b>Note 21 -</b>                                   |                                        |                                        |
| <b>Change in Inventories</b>                       |                                        |                                        |
| Opening Stock of WIP                               | 165.42                                 | 106.84                                 |
| Add: Acquired through BTA                          | -                                      |                                        |
| Closing Stock of WIP                               | 295.57                                 | 165.42                                 |
| Change in Inventories                              | <b>(130.16)</b>                        | <b>(58.58)</b>                         |
| <b>Note 22 -</b>                                   |                                        |                                        |
| <b>Employee Benefits Expense</b>                   |                                        |                                        |
| Directors Remuneration                             | -                                      | 21.00                                  |
| Salaries                                           | 4.38                                   | 4.77                                   |
| Contribution to Fund                               | 2.97                                   | 1.76                                   |
|                                                    | <b>7.35</b>                            | <b>27.53</b>                           |
| <b>Note 23 -</b>                                   |                                        |                                        |
| <b>Finance Costs</b>                               |                                        |                                        |
| Interest on loan from Bank & Financial Institution | 17.03                                  | 7.96                                   |
| Bank Charges                                       | 0.15                                   | 0.36                                   |
|                                                    | <b>17.17</b>                           | <b>8.32</b>                            |
| <b>Note 24 -</b>                                   |                                        |                                        |
| <b>Depreciation &amp; Amortisation Expenses</b>    |                                        |                                        |
| Depreciation                                       | 25.34                                  | 36.47                                  |
|                                                    | <b>25.34</b>                           | <b>36.47</b>                           |

| Particulars                                                                                | Amount (Rs. in Lakhs.)<br>For the year ended on 31st March, 2025 | Amount (Rs. in Lakhs.)<br>For the year ended on 31st March, 2024 |
|--------------------------------------------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------|
| <b>Note 25 -</b>                                                                           |                                                                  |                                                                  |
| <b>Other Expenses</b>                                                                      |                                                                  |                                                                  |
| Audit Fees                                                                                 | 1.00                                                             | 1.00                                                             |
| Advertisement                                                                              | 0.23                                                             | 2.90                                                             |
| Depository Charges                                                                         | 2.51                                                             | 2.42                                                             |
| Membership Fees                                                                            | -                                                                | 0.20                                                             |
| Insurance                                                                                  | 0.43                                                             | 0.11                                                             |
| Internet Expenses                                                                          | 0.18                                                             | 0.41                                                             |
| Legal & Professional Charges                                                               | 1.25                                                             | 2.05                                                             |
| LRR Fees                                                                                   | -                                                                | 0.25                                                             |
| AMC For SDD Software                                                                       | -                                                                | 0.04                                                             |
| Office Expenses                                                                            | 1.53                                                             | 2.56                                                             |
| Travelling Expenses & Repairs charges                                                      | 5.66                                                             | 1.94                                                             |
| Software purchase                                                                          | 0.08                                                             | 0.05                                                             |
| Directors' Sitting fees                                                                    | 0.10                                                             | -                                                                |
| Issuer Fees                                                                                | -                                                                | 0.75                                                             |
| Right issue expenses                                                                       | -                                                                | 19.94                                                            |
| RTA Charges & RTA Fees                                                                     | 0.51                                                             | 0.39                                                             |
| Sationery & Printing Charges                                                               | -                                                                | 0.23                                                             |
| ROC Filing Fees                                                                            | 7.50                                                             | 0.44                                                             |
| Annual Custodian Fees                                                                      | 0.28                                                             | -                                                                |
| Bonus Issue Expenses                                                                       | 1.25                                                             | -                                                                |
| Govt Fees                                                                                  | 4.61                                                             | -                                                                |
|                                                                                            | <b>27.11</b>                                                     | <b>35.67</b>                                                     |
| <b>Details of Audit Fees:</b>                                                              |                                                                  |                                                                  |
| Statutory & Tax Audit Fees                                                                 | 1.00                                                             | 1.00                                                             |
|                                                                                            | <b>1.00</b>                                                      | <b>1.00</b>                                                      |
| <b>Note 26 -</b>                                                                           |                                                                  |                                                                  |
| Provision for CSR expenses                                                                 | -                                                                | 8.63                                                             |
|                                                                                            | <b>-</b>                                                         | <b>8.63</b>                                                      |
| <b>Note 27 -</b>                                                                           |                                                                  |                                                                  |
| <b>Earnings Per Share (EPS)</b>                                                            |                                                                  |                                                                  |
| Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders | 189.03                                                           | 419.67                                                           |
| Weighted Average number of equity shares used as denominator for calculating EPS           | 20,672,900.00                                                    | 20,310,467                                                       |
| Basic and Diluted Earnings Per Share (Weighted average)                                    | 0.91                                                             | 2.07                                                             |
| Face Value per equity share (Rs.)                                                          | 10.00                                                            | 10.00                                                            |
| <b>Note 28 -</b>                                                                           |                                                                  |                                                                  |
| <b>REVENUE ITEMS</b>                                                                       |                                                                  |                                                                  |
| Remuneration to Directors & KMP                                                            | 1.80                                                             | 1.44                                                             |
| Sales made during the year                                                                 | 50.54                                                            | 16.94                                                            |
| <b>NON REVENUE ITEMS</b>                                                                   |                                                                  |                                                                  |
| Loan availed                                                                               | 0.68                                                             | 69.99                                                            |
| Advance paid                                                                               |                                                                  | 2.00                                                             |
| Loan paid/repaid                                                                           | 1.08                                                             | 895.84                                                           |
| <b>Total</b>                                                                               | <b>54.09</b>                                                     | <b>986.21</b>                                                    |



**Year Wise RPT transactions bifurcated amongst name of related parties**

| PARTICULARS                                                                                   | For the year ended<br>31st March, 2025 | For the year ended<br>31st March, 2024 |
|-----------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|
|                                                                                               |                                        |                                        |
| <b>Parry Kukreja - Director</b>                                                               |                                        |                                        |
| Opening Balance                                                                               | 0.43                                   | 97.06                                  |
| Loan availed                                                                                  | 0.68                                   | 43.48                                  |
| Loan Repaid                                                                                   | 1.08                                   | 140.11                                 |
| <b>Closing Balance</b>                                                                        | <b>0.03</b>                            | <b>0.43</b>                            |
| <b>Nikhil Kukreja - Director</b>                                                              |                                        |                                        |
| Opening Balance                                                                               | -                                      | 246.62                                 |
| Loan availed                                                                                  | -                                      | 26.51                                  |
| Loan Repaid                                                                                   | -                                      | 273.13                                 |
| <b>Closing Balance</b>                                                                        | <b>-</b>                               | <b>-</b>                               |
| <b>Mrs. Shanta Rani - Relative of director</b>                                                |                                        |                                        |
| Opening Balance                                                                               | -                                      | -                                      |
| Loan Repaid                                                                                   | -                                      | -                                      |
| <b>Closing Balance</b>                                                                        | <b>-</b>                               | <b>-</b>                               |
| <b>Priyanka Mediratta - Relative of director</b>                                              |                                        |                                        |
| Opening Balance                                                                               |                                        | 2.28                                   |
| Advance Given                                                                                 |                                        | 2.00                                   |
| Advance Repaid                                                                                |                                        | 4.28                                   |
| <b>Closing Balance</b>                                                                        | <b>-</b>                               | <b>-</b>                               |
| <b>M/s. Chand Plastic Company (Prop. Rohit Kukreja) - Relative of director</b>                |                                        |                                        |
| Opening Balance                                                                               | 12.39                                  | 0.35                                   |
| Sales made                                                                                    | 50.54                                  | 16.94                                  |
| Payment received                                                                              | 26.50                                  | 4.90                                   |
| <b>Closing Balance</b>                                                                        | <b>36.42</b>                           | <b>12.39</b>                           |
| <b>M/s. Chand Plastic Corporation (Prop. Nikhil Kukreja) - Enterprise where control exist</b> |                                        |                                        |
| Opening Balance                                                                               | 630.76                                 | 149.76                                 |
| Sales made during the year                                                                    |                                        |                                        |
| Purchase made during the year                                                                 | 47.97                                  | -                                      |
| Advance Receipt                                                                               |                                        | 482.60                                 |
| Amount Received                                                                               |                                        | 1.60                                   |
| <b>Closing Balance</b>                                                                        | <b>582.79</b>                          | <b>630.76</b>                          |
| <b>Remuneration</b>                                                                           |                                        |                                        |
| Parry Kukreja (Managing Director)                                                             | -                                      | 10.50                                  |
| Nikhil Kukreja (Director/ CFO)                                                                | -                                      | 10.50                                  |
| Puja (Company Secretary)                                                                      | 0.50                                   |                                        |
| Nidhi Varun Kumar (Company Secretary)                                                         | 1.30                                   | 1.44                                   |

**NOTE - 10**  
**PROPERTY, PLANT & EQUIPMENT**

| PARTICULARS                     | GROSS BLOCK                        |           | SALE / DEDUCTION | SURPLUS/ (LOSS) | DEPRECIATION                      |                            |              |                                   |           | (Rs. In lakhs)            |                 |                 |
|---------------------------------|------------------------------------|-----------|------------------|-----------------|-----------------------------------|----------------------------|--------------|-----------------------------------|-----------|---------------------------|-----------------|-----------------|
|                                 | COST / BOOK VALUE AS AT 01-04-2024 | ADDITIONS |                  |                 | COST / BOOK VALUE AS AT 31/3/2025 | OPENING BALANCE 01-04-2024 | FOR THE YEAR | ADJUSTED AGAINST OPENING RESERVES | DEDUCTION | CLOSING BALANCE 31/3/2025 | AS AT 31/3/2024 | AS AT 31/3/2025 |
| <u>Plant &amp; Machinery</u>    |                                    |           |                  |                 |                                   |                            |              |                                   |           |                           |                 |                 |
| Machinery Purchased through BTA | 21.46                              | 0.18      | -                | -               | 21.64                             | 8.53                       | 1.15         | -                                 | -         | 9.68                      | 12.93           | 11.96           |
| Bangle Machinery                | 0.45                               | -         | -                | -               | 0.45                              | 0.15                       | 0.03         | -                                 | -         | 0.18                      | 0.30            | 0.27            |
| Machineries                     | 207.39                             | 63.14     | -                | -               | 270.52                            | 31.07                      | 16.03        | -                                 | -         | 47.11                     | 176.31          | 223.42          |
| Laptop                          | 0.36                               | -         | -                | -               | 0.36                              | 0.02                       | 0.10         | -                                 | -         | 0.13                      | 0.33            | 0.23            |
| Printer                         | 0.21                               | -         | -                | -               | 0.21                              | 0.09                       | 0.03         | -                                 | -         | 0.12                      | 0.13            | 0.10            |
| CAR                             | 26.17                              | -         | -                | -               | 26.17                             | 3.97                       | 3.42         | -                                 | -         | 7.39                      | 22.21           | 18.79           |
| Furniture                       | 39.82                              | 0.34      | -                | -               | 40.17                             | 4.40                       | 4.57         | -                                 | -         | 8.97                      | 35.43           | 31.20           |
| LAND                            | 439.50                             | -         | -                | -               | 439.50                            | -                          | -            | -                                 | -         | -                         | 439.50          | 439.50          |
| GRAND TOTAL                     | 735.36                             | 63.66     | -                | -               | 799.02                            | 48.22                      | 25.34        | -                                 | -         | 73.56                     | 687.14          | 725.46          |



Note: 29

| Restated Statement of Accounting Ratio                                     |                |                     |                     |                     |                     |                     |                                                                                                                                                   |
|----------------------------------------------------------------------------|----------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Particulars                                                                |                | As at<br>31.03.2025 | As at<br>31.03.2024 | As at<br>31.03.2023 | As at<br>31.03.2022 | As at<br>31.03.2021 | Reason for Variance (applicable<br>where variance is more than 25%)                                                                               |
| Current Assets                                                             | [A]            | 3,365.04            | 3,892.60            | 1,361.32            | 1,361.32            | -                   | Current ratio increased by 97.80%<br>due to decrease in Current Liabilities<br>for the F.Y. 2024-2025.                                            |
| Current Liabilities                                                        | [B]            | 198.60              | 454.43              | 627.65              | 564.69              | -                   |                                                                                                                                                   |
| <b>Current Ratio (in times)</b>                                            | <b>[A / B]</b> | <b>16.94</b>        | <b>8.57</b>         | <b>2.17</b>         | <b>2.41</b>         | -                   |                                                                                                                                                   |
| Debt                                                                       | [A]            | 105.56              | 160.36              | 410.98              | 410.98              | -                   | Debt-equity ratio decreased by<br>36.76% due to decrease in short term<br>borrowings for the F.Y. 2024-2025                                       |
| Equity                                                                     | [B]            | 4,284.19            | 4,115.84            | 934.66              | 934.66              | -                   |                                                                                                                                                   |
| <b>Debt - Equity Ratio (in times)</b>                                      | <b>[A / B]</b> | <b>0.02</b>         | <b>0.04</b>         | <b>0.44</b>         | <b>0.44</b>         | -                   |                                                                                                                                                   |
| Earnings available for debt service                                        | [A]            | 325.48              | 645.08              | 554.29              | 147.63              | -                   | Debt-Service Coverage ratio<br>decreased by 75.56% due to<br>decrease in Earnings available for<br>debt service for the F.Y. 2024-2025            |
| Debt Service                                                               | [B]            | 17.17               | 8.32                | 6.69                | 4.15                | -                   |                                                                                                                                                   |
| <b>Debt - Service Coverage Ratio (in times)</b>                            | <b>[A / B]</b> | <b>18.95</b>        | <b>77.56</b>        | <b>82.90</b>        | <b>35.54</b>        | -                   |                                                                                                                                                   |
| Net Profit after Taxes                                                     | [A]            | 189.03              | 419.67              | 394.61              | 105.06              | -                   | Return on equity ratio decreased by<br>56.73% due to increase in<br>Shareholder's Equity and decrease in<br>earnings during the F.Y. 2024-2025.   |
| Shareholder's Equity                                                       | [B]            | 4,284.19            | 4,115.84            | 934.66              | 934.66              | -                   |                                                                                                                                                   |
| <b>Return on Equity Ratio (in %)</b>                                       | <b>[A / B]</b> | <b>4.41%</b>        | <b>10.20%</b>       | <b>42.22%</b>       | <b>11.24%</b>       | -                   |                                                                                                                                                   |
| Sales                                                                      | [A]            | 1,077.89            | 1,268.13            | 1,138.32            | 364.89              | -                   | Inventory turnover ratio decreased<br>by 31.36% due to increase in<br>inventory and decrease in turnover<br>during the F.Y. 2024-2025.            |
| Inventory                                                                  | [B]            | 885.36              | 714.95              | 288.13              | 288.13              | -                   |                                                                                                                                                   |
| <b>Inventory Turnover Ratio (in times)</b>                                 | <b>[A / B]</b> | <b>1.22</b>         | <b>1.77</b>         | <b>3.95</b>         | <b>1.27</b>         | -                   |                                                                                                                                                   |
| Net Sales                                                                  | [A]            | 1,077.89            | 1,268.13            | 1,138.32            | 364.89              | -                   | N.A                                                                                                                                               |
| Trade Receivables                                                          | [B]            | 764.69              | 824.44              | 724.83              | 724.83              | -                   |                                                                                                                                                   |
| <b>Trade Receivables Turnover Ratio (in times)</b>                         | <b>[A / B]</b> | <b>1.41</b>         | <b>1.54</b>         | <b>1.57</b>         | <b>0.50</b>         | -                   |                                                                                                                                                   |
| Net Purchase                                                               | [A]            | 842.36              | 900.93              | 549.17              | 383.28              | -                   | Trade Payable ratio increased by<br>34.51% due to increase in Net<br>Purchase during the F.Y. 2024-2025.                                          |
| Trade Payables                                                             | [B]            | 22.56               | 32.46               | 59.49               | 3.10                | -                   |                                                                                                                                                   |
| <b>Trade Payables Turnover Ratio (in times)</b>                            | <b>[A / B]</b> | <b>37.33</b>        | <b>27.76</b>        | <b>9.23</b>         | <b>123.72</b>       | -                   |                                                                                                                                                   |
| Net Sales                                                                  | [A]            | 1,077.89            | 1,268.13            | 1,138.32            | 364.89              | -                   | N.A                                                                                                                                               |
| Current Assets                                                             |                | 3,365.04            | 3,892.60            | 1,361.32            | 1,361.32            | -                   |                                                                                                                                                   |
| Current Liabilities                                                        |                | 198.60              | 454.43              | 627.65              | 564.69              | -                   |                                                                                                                                                   |
| Working Capital                                                            | [B]            | 3,166.44            | 3,438.17            | 733.67              | 796.62              | -                   |                                                                                                                                                   |
| <b>Net Working Capital Turnover Ratio (in times)</b>                       | <b>[A / B]</b> | <b>0.34</b>         | <b>0.37</b>         | <b>1.55</b>         | <b>0.46</b>         | -                   |                                                                                                                                                   |
| Net Profit                                                                 | [A]            | 189.03              | 419.67              | 394.61              | 105.06              | -                   | Net Profit ratio decreased by 47.01%<br>due to decrease in Net profit during<br>the F.Y. 2024-2025.                                               |
| Net Sales                                                                  | [B]            | 1,077.89            | 1,268.13            | 1,138.32            | 364.89              | -                   |                                                                                                                                                   |
| <b>Net Profit Ratio (in %)</b>                                             | <b>[A / B]</b> | <b>17.54%</b>       | <b>33.09%</b>       | <b>34.67%</b>       | <b>28.79%</b>       | -                   |                                                                                                                                                   |
| Earning Before Interest and Taxes                                          | [A]            | 300.14              | 608.61              | 544.72              | 145.45              | -                   | Return on capital employed ratio<br>decreased by 52.62% due to increase<br>in Capital Employed and decrease in<br>EBIT during the F.Y. 2024-2025. |
| Capital Employed                                                           | [B]            | 4,293.79            | 4,125.44            | 944.25              | 944.25              | -                   |                                                                                                                                                   |
| <b>Return on Capital Employed (in %)</b>                                   | <b>[A / B]</b> | <b>6.99%</b>        | <b>14.75%</b>       | <b>57.69%</b>       | <b>15.40%</b>       | -                   |                                                                                                                                                   |
| Market Value at End of the year- Market Value at the Beginning of the year | [A]            | - 17.24 -           | 4.05                | -                   | -                   | -                   | Return on capital employed ratio<br>decreased by 381.78% due to<br>decrease in Market Value at the end<br>of the year ended 31.03.2025            |
| Final Value of Investment                                                  |                | -                   | -                   | -                   | -                   | -                   |                                                                                                                                                   |
| Initial Value of Investment                                                |                | -                   | -                   | -                   | -                   | -                   |                                                                                                                                                   |
| Market Value at the Beginning of the year                                  | [B]            | 36.27               | 41.05               | -                   | -                   | -                   |                                                                                                                                                   |
| <b>Return on Investment (in %)</b>                                         | <b>[A / B]</b> | <b>-47.53%</b>      | <b>-9.87%</b>       | -                   | -                   | -                   | -                                                                                                                                                 |

## NOTE 30- Related Party Transactions

According to Accounting Standards-18 the company has presented disclosures in "Note-28". No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- Crypto Currency or Virtual Currency
- Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- Registration of charges or satisfaction with Registrar of Companies

d) Relating to borrowed funds

- i) Wilful defaulter
- ii) Utilisation of borrowed funds & share premium
- iii) Borrowings obtained on the basis of security of current assets
- iv) Discrepancy in utilisation of borrowings
- v) Current maturity of long term borrowings

e) There are no layer of companies, hence no disclosures are required.

f) There is no scheme of arrangement approved in terms of section 230 to 237 of Companies Act, 2013.

g) There are no loans and advances in the nature of loans that are granted to promoters, directors, KMP's and other related parties either severally or jointly with any other person that are repayable on demand.

h) The company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the income tax assessments under the Income tax Act, 1961.

i) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediaries 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 beneficiary) or
- (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries

j) The company has not received from any person(s) or entity(ies), including (funding party) with the understanding 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 beneficiary) or
- (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries

## **DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES**

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

## **MATERIAL DEVELOPMENTS AFTER BALANCE SHEET DATE: Nil**

### **For Clara Industries Limited**

**Parry Kukreja**  
**Managing Director**  
**DIN: 06649401**

**Nikhil Kukreja**  
**Director & CFO**  
**DIN: 06649387**

**Pooja**  
**Company Secretary**  
**Membership**  
**No:A36167**

**Place : Saharanpur**  
**Date : May 21 , 2025**

### **For Jay Gupta and Associates**

**(Erstwhile Gupta Agarwal & Associates)**  
**Chartered Accountants**  
**Firm's Registration No: 329001E**

**Jay Shanker Gupta**  
**Partner**  
**Membership No: 059535**  
**UDIN: 25059535BMHCAY4756**

**Place : Kolkata**  
**Date : May 21 , 2025**

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 1) Corporate Information:

The Company is incorporated on September 02, 2021 vide Certificate of Incorporation bearing Registration Number 151537 issued by the Registrar of Companies, Kanpur with the name & style of CLARA INDUSTRIES LIMITED.

the company is engaged in the business of provide manufacturing of LDPE, HDPE, PP, BOPP, adhesive tapes and its related products & activities and manufacturers and traders of plastic bags, industrial packaging self adhesive tapes. printing and plain multilayered flexible packaging. manufacturer of pp plastic mats, twine and ropes.

### (1.a) Basis of Preparation:

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied except where specifically stated in financial statement and notes to accounts of the non- conformity with the relevant Accounting Standard.

### (2.1) Significant Accounting Policies:

#### (a) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the end of the reporting period and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

#### (b) Property, Plant & equipment and Intangible Assets:

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

Depreciation is provided on Written Down value basis based on life assigned to each asset in accordance with Schedule II of the Act or as per life estimated by the Management.

An asset is treated as impaired asset when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the profit & loss account is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been changed in the estimate of recoverable amount.

#### (c) Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods or services are recognized on delivery of the products or services, when all significant contractual obligations have been satisfied,



the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained.

In the financial statement, revenue from operation does not include Indirect taxes like sales tax and/or Goods & service tax.

**(d) Investments:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds are charged or credited to the statement of profit and loss.

**(e) Inventories:**

Inventory of W-I-P and Raw materials are valued at lower of cost and net realizable value. Cost is determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

There is no stock of finished goods lying with the company.

**(f) Employee Benefits:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services.

**(g) Taxation:**

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act 1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable incomes and accounting income. Deferred Tax Assets or Deferred Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

**(h) Borrowing Cost:**

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. 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 respective asset. All other borrowing costs are expensed in the period they occur.

**(i) Segment Reporting:**



The Company is engaged in business of provide manufacturing of LDPE, HDPE, PP, BOPP, ADHESIVE TAPES. Considering the nature of Business and Financial Reporting of the Company, the Company is operating in only one Segment. Hence segment reporting is not applicable.

**(j) Provisions and Contingent Liabilities:**

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A Contingent Asset is not recognized in the Accounts. Details of Contingent Liabilities are as follows:

| Particulars             | Amount in Lakhs |
|-------------------------|-----------------|
| Tax deducted at sources | 0.54            |
| <b>Total</b>            | <b>0.54</b>     |

**(k) Earnings per share:**

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

**(l) Current Assets, Loans & Advances:**

In the opinion of the Board and to the best of its knowledge and belief the value on realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and repayable on demand.

**(m) Disclosure under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006:**

The Company has identified suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006, based on the information and confirmations received from vendors. The Company has complied with the provisions of the Act to the extent applicable and there are no delays in payments to such registered enterprises during the year. This disclosure is based on the information available with the Company.

**(n) CSR Expenses**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, promoting gender equality by empowering women, healthcare, environment sustainability, art and culture, destitute care and rehabilitation, disaster relief, COVID-19 relief and rural development projects. The company is required to expense on CSR activities during F.Y. 2024-25.

(Rs. In lakhs, unless otherwise stated)

| Particulars                                              | For the year ended March 31, 2025                                                     |
|----------------------------------------------------------|---------------------------------------------------------------------------------------|
| (a) Total amount required to be spent during the year    | 8.63                                                                                  |
| (b) Total amount of expenditure incurred during the year | 8.67                                                                                  |
| (c) Shortfall/ (excess) at the end of the year           | -                                                                                     |
| (d) Total amount of previous years shortfall             | 0.04                                                                                  |
| (e) Reason for shortfall                                 | Identification and evaluation of suitable projects taking longer than anticipated     |
| (f) Nature of CSR activities                             | Donation to Satya Foundation, Asha Modern International School, DAV College for Girls |

**The Company undertakes the following activities in the nature of Corporate social responsibility (CSR):**

- Promoting education, including special education and employment enhancing vocational skills, especially among children, women, and elderly.
- Promotion of health care, including preventive health care and sanitation.
- Measures for the benefit of armed forces veterans, war widows, and their dependents.

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

**For Clara Industries Limited**

**Parry Kukreja**  
**Managing Director**  
**DIN: 06649401**

**Nikhil Kukreja**  
**Director & CFO**  
**DIN: 06649387**

**Pooja**  
**Company Secretary**  
**Membership**  
**No:A36167**

**Place : Saharanpur**  
**Date : May 21 , 2025**

**For Jay Gupta and Associates**  
**(Erstwhile Gupta Agarwal & Associates)**  
**Chartered Accountants**  
**Firm's Registration No: 329001E**

**Jay Shanker Gupta**  
**Partner**  
**Membership No: 059535**  
**UDIN: 25059535BMHCAY4756**

**Place : Kolkata**  
**Date : May 21 , 2025**

