Clara
INDUSTRIES LIMITED

BUILDING THE NEXT CURVE

Investing in Scale.
Building Toward Profit.

ANNUAL REPORT
2025 - 26

THE FOUNDATION OF FUTURE GROWTH

Every phase of growth begins with the foundations laid today.

During FY2025-26, Clara Industries continued to strengthen its manufacturing capabilities, enhance operational readiness and build the platform for sustainable long-term value creation.

These investments today are building a stronger, more resilient and future-ready organization, positioning us for profitable growth in the years ahead.

Clara
INDUSTRIES LIMITED

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MESSAGE FROM THE MANAGING DIRECTOR

Parry Kukreja
Managing Director

> The foundations we build today will shape the opportunities we create tomorrow.

Dear Shareholders,

FY2025-26 was a year of continued progress and purposeful investment for Clara Industries Limited. In an operating environment characterized by evolving customer requirements, changing market dynamics and cost pressures across the manufacturing sector, your Company remained focused on strengthening its capabilities and building a stronger foundation for sustainable growth.

Our theme for this year, **"Building the Next Curve - Investing in Scale. Building Toward Profit."**, reflects the stage of our journey. We believe that meaningful and lasting growth is not created through short-term decisions, but through investments that strengthen the business and prepare it for future opportunities. Throughout the year, we remained committed to this philosophy while continuing to serve our customers with quality, reliability and operational excellence.

I am pleased to share that Clara Industries delivered growth in revenue during FY2025-26. This growth reflects the trust placed in us by our customers, the dedication of our employees and the strength of the relationships we have built across our value chain. While revenue performance remained encouraging, profitability did not increase at the same pace. This was primarily due to ongoing investments in capacity enhancement, operational readiness and business development initiatives that we believe will support future growth and value creation.

During the year, we continued to strengthen our manufacturing ecosystem and invested in additional capabilities that align with our long-term vision. These investments are not intended merely to increase scale, but to improve flexibility, efficiency and our ability to serve evolving customer requirements. As with any growth-oriented organization, we recognize that investments often precede financial returns. We remain confident that the foundations being built today will contribute positively to the Company's performance in the years ahead.

Our approach to growth continues to be guided by discipline and prudence. While pursuing expansion opportunities, we remain focused on maintaining operational efficiency, managing resources responsibly and creating sustainable value for all stakeholders. We believe that long-term success is achieved when growth is balanced with financial discipline, strong governance and a clear strategic direction.

At Clara Industries, manufacturing excellence remains at the core of our operations. We continue to focus on improving productivity, strengthening quality systems and enhancing operational processes across our facilities. These efforts are aimed at improving competitiveness, delivering consistent value to customers and creating a platform for profitable growth.

Equally important is our commitment to responsible business practices. We recognize that sustainable growth must be supported by sound governance, ethical conduct and a culture of accountability. We remain committed to operating with transparency and integrity while continuously strengthening our governance framework and stakeholder engagement practices.

None of our achievements would have been possible without the efforts of our employees. Their dedication, adaptability and commitment continue to drive our progress. I would also like to express my sincere appreciation to our customers, suppliers, business partners, shareholders, lenders and all other stakeholders for their continued trust and support.

As we look ahead, our priorities remain clear. We will continue to focus on strengthening capabilities, improving efficiencies and leveraging the investments made over the past few years. While we remain mindful of external uncertainties, we are optimistic about the opportunities that lie ahead and confident in our ability to create long-term value.

The progress achieved during FY2025-26 represents another important step in our journey. We have continued to build, strengthen and prepare. As the foundations become stronger, we believe the benefits of these efforts will increasingly translate into improved performance and profitability.

With your continued support, we look forward to shaping the next phase of growth for Clara Industries.

Warm Regards,

Parry Kukreja
Managing Director

FROM VISION TO VALUE

The strategic direction outlined by our leadership is translated into measurable outcomes through disciplined execution, operational excellence and prudent capital allocation.

The following section highlights the initiatives, capabilities and financial performance that demonstrate how Clara Industries is converting long-term vision into sustainable value for its customers, shareholders and all stakeholders.

STRATEGIC GROWTH

Expanding capabilities to support future opportunities.

OPERATIONAL EXCELLENCE

Building efficiency through disciplined execution.

SUSTAINABLE PROFITABILITY

Creating long-term value through prudent investments.

Turning strategic intent into measurable outcomes.

MESSAGE FROM THE CHIEF FINANCIAL OFFICER

"Financial discipline today builds the strength to create sustainable value tomorrow.

NIKHIL KUKREJA
Chief Finacial Officer

FY2025-26 FINANCIAL PERSPECTIVE

REVENUE FROM OPERATIONS	PROFIT AFTER TAX	OPERATIONAL EFFICIENCY	CAPITAL ALLOCATION
₹1,433.63 L	₹180.05 L	Strengthening processes and improving utilisation to support sustainable profitability.	Disciplined investment in capabilities that support the Company's next phase of growth.

Dear Shareholders,

The financial year 2025-26 marked another significant milestone in Clara Industries Limited's growth journey. Against a backdrop of evolving market dynamics, fluctuating input costs and an increasingly competitive business environment, the Company remained steadfast in its commitment to strengthening its financial foundation while investing in capabilities that will support sustainable long-term value creation.

Our financial philosophy has always been guided by discipline, prudence and a long-term perspective. We believe that enduring value is created not merely through short-term financial performance, but through thoughtful investments that strengthen the organisation, improve operational resilience and position the business for future opportunities.

I am pleased to share that **Revenue from Operations increased to ₹1,433.63 lakhs during FY2025-26 from ₹1,103.78 lakhs in the previous financial year, representing a healthy growth of nearly 30%.** This performance reflects the continued trust of our customers, the dedication of our employees and the strength of our manufacturing capabilities. It also demonstrates the Company's ability to expand its market presence while maintaining its commitment to quality, reliability and customer service.

While our top-line growth remained encouraging, Profit After Tax for the year stood at ₹180.05 lakhs. Although profitability did not grow in proportion to revenue, this reflects a conscious and strategic phase of investment undertaken by the Company. Throughout the year, we continued to invest in strengthening manufacturing capabilities, enhancing operational efficiencies and preparing the organisation for its next stage of growth.

One of the important milestones during the year was the strengthening of our manufacturing infrastructure through the addition of PP woven sack looms. This investment represents more than an expansion of production capability—it reinforces our commitment to improving operational flexibility, enhancing manufacturing efficiency and broadening our ability to meet evolving customer requirements. While such investments naturally influence near-term financial outcomes, they establish the foundation upon which future operational leverage and profitability will be built.

As reflected in this year's theme, our focus extends beyond immediate financial results. We recognise that sustainable profitability is achieved through disciplined investments, operational excellence and prudent financial management. The decisions taken today are intended to strengthen the Company's competitive position and create enduring value over the years ahead.

Financial discipline remained central to every decision made during the year. We continued to focus on efficient working capital management, responsible capital allocation and prudent utilisation of financial resources. Our objective is to ensure that growth is supported by a healthy balance sheet, strong internal controls and sufficient financial flexibility to respond to future opportunities and market changes.

Looking ahead, our financial priorities remain clearly defined. We will continue to focus on improving operational efficiencies, enhancing capacity utilisation and driving greater value from the investments made over the past few years. As these initiatives mature, we are confident that they will strengthen profitability while supporting sustainable and responsible growth.

The coming year will be focused not only on expanding our business but also on improving financial performance through better operating leverage, disciplined cost management and continued execution excellence. We remain optimistic that the foundation built during FY2025-26 will translate into stronger margins and enhanced shareholder value in the years ahead.

On behalf of the finance team, I extend my sincere gratitude to our shareholders for their continued trust and confidence in Clara Industries Limited. I also thank our customers, suppliers, banking partners and business associates for their unwavering support. Most importantly, I express my appreciation to every member of the Clara family whose dedication and commitment continue to drive our progress.

As we move forward, we remain committed to managing the Company's finances with integrity, prudence and accountability while supporting our shared vision of building a stronger, more resilient and future-ready Clara Industries.

Warm Regards,

Nikhil Kukreja
Chief Financial Officer

FY2025-26

AT A GLANCE

A year focused on strengthening capabilities, sharpening operations and preparing the business for its next phase of sustainable growth.

01

STRENGTHENING CAPABILITIES

Continued investment in manufacturing capabilities to support evolving business requirements and future opportunities.

02

INVESTING IN SCALE

Addition of PP woven sack looms during the year, strengthening Clara's manufacturing base for the next phase of growth.

03

OPERATIONAL FOCUS

Continued emphasis on productivity, process efficiency, quality and optimal utilisation of resources acoss operations.

04

BUILDING FOR TOMORROW

A measured approach to growth, with investments made today aimed at supporting greater efficiency and sustainable profitability over time.

BUSINESS OVERVIEW

A DIVERSIFIED PACKAGING PLATFORM. BUILT AROUND EVOLVING NEEDS.

Clara Industries Limited is a diversified manufacturing company with a growing presence across flexible packaging, polymer-based products and allied packaging solutions. Over the years, the Company has developed a portfolio of businesses designed to address a wide spectrum of industrial, commercial and consumer requirements.

Our operations span packaging films, flexible packaging, recycled granules, polypropylene mats, self-adhesive tapes, food wraps and horticulture bags. While each business addresses a distinct application, they are connected by a common manufacturing philosophy — a focus on quality, customisation, operational reliability and responsiveness to evolving customer needs.

Clara's business model is built around developing manufacturing capabilities that allow the Company to serve multiple applications while leveraging its understanding of polymers, films, conversion and packaging. This diversified approach enables us to participate across different segments of the packaging value chain while continually exploring opportunities that complement our existing capabilities.

As the business evolves, our focus remains on strengthening this platform through disciplined investment, improved operating efficiencies and deeper customer relationships. We believe that the breadth of our portfolio, supported by an increasingly capable manufacturing base, provides Clara with a strong foundation for its next phase of growth.

OUR BUSINESS PLATFORM

SEVEN BUSINESSES. ONE INTEGRATED APPROACH.

Our seven business verticals work together to create a strong, integrated platform that delivers value across industries and applications.

DIVERSE PORTFOLIO

Seven businesses catering to a wide range of industries and applications.

CUSTOMER FOCUS

Solutions developed around customer requirements and application needs.

INTEGRATED APPROACH

End-to-end capabilities accross the value chain driving efficiency and consistency.

SUSTAINABLE GROWTH

Building responsibly through innovation, efficiency and resource stewardship.

HOW WE CREATE VALUE

SHARED CAPABILITIES. DIVERSE APPLICATIONS. ONE INTEGRATED APPROACH.

Clara's diversified businesses are connected by a common operating philosophy built around manufacturing capability, customer understanding, quality and disciplined execution. These shared strengths enable us to address varied applications while continuously strengthening the efficiency, responsiveness and resilience of our operations.

MANUFACTURING CAPABILITY

Advanced manufacturing capabilities supporting quality, efficiency and evolving production needs.

CUSTOMER-LED APPROACH

Solutions shaped around customer requirements, applications and changing market needs.

QUALITY & CONSISTENCY

Strong process controls and regular testing ensure consistent product performance.

OPERATIONAL AGILITY

Flexible operations enable faster response to diverse and evolving market opportunities.

From understanding requirements to delivering the finished solution, our focus remains on creating value at every stage.

OUR MANUFACTURING ECOSYSTEM

A CONTINUOUS JOURNEY OF TRANSFORMATION, PRECISION AND PERFORMANCE.

RAW MATERIALS

Carefully selected materials provide the foundation for consistent quality, performance and reliable production.

PROCESSING

Materials are prepared and processed under controlled conditions to ensure efficiency and consistency at every stage.

MANUFACTURING

Advanced manufacturing capabilities combine technology and process discipline to deliver dependable products across diverse applications.

CONVERSION

Manufactured materials are converted into functional formats tailored to varied product and application requirements.

QUALITY ASSURANCE

Regular testing and defined quality controls help maintain consistent specifications, performance and reliability throughout production.

FINISHED SOLUTIONS

The process culminates in reliable, application-ready solutions designed to meet evolving customer and market requirements.

Clara
INDUSTRIES LIMITED

OUR VISION & MISSION

DEFINING OUR DIRECTION.
DRIVING OUR PURPOSE.

OUR VISION

To build Clara into a trusted and diversified packaging enterprise, recognised for quality, innovation and responsible growth.

OUR MISSION

To deliver dependable packaging solutions through manufacturing excellence, customer focus and continuous improvement, while building capabilities that create sustainable value for all stakeholders.

OUR VALUES

PRINCIPLES THAT MOVE US FORWARD.

WHAT GUIDES US

INTEGRITY

Doing what is right, responsibly and transparently.

QUALITY

Managing high standards across everything we create.

CUSTOMER FOCUS

Understanding needs and creating solutions that deliver value.

CONTINUOUS IMPROVEMENT

Always seeking better ways to operate, innovate and grow.

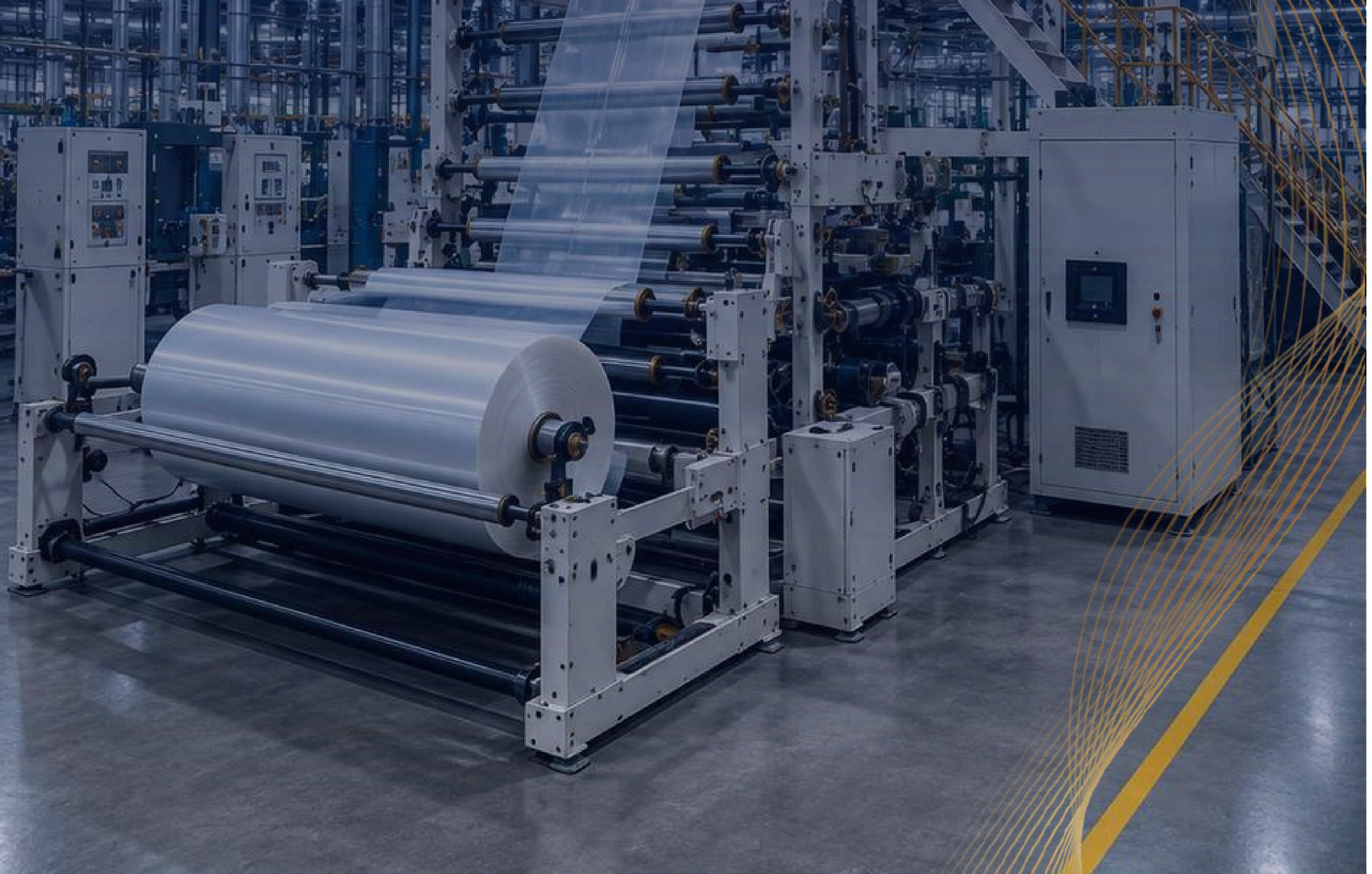
RESPONSIBILITY

Creating value with consideration for people, resources and the future.

BUILDING THE NEXT CURVE

Investing in Scale. Building Toward Profit.

FY2025-26 marked a deliberate step forward in Clara's evolution - strengthening capabilities today to create a more scalable, efficient and resilient business for tomorrow.



INVESTING TODAY. BUILDING FOR TOMORROW.

Growth at Clara is increasingly being shaped by a long-term approach to capability creation. During FY2025-26, we continued to strengthen our manufacturing platform, with investments aimed at expanding our addressable opportunities, improving operating capabilities and preparing the business for its next phase of growth.

EXPANDING CAPABILITIES

Investments in manufacturing infrastructure are enabling Clara to broaden its capabilities and address emerging opportunities across packaging applications.

BROADENING OUR PLATFORM

The addition of PP woven sack looms represents another step towards building a more diversified and scalable manufacturing platform.

PREPARING FOR SCALE

As new capabilities mature and utilisation improves, our focus remains on translating a stronger operating base into sustainable growth and improved profitability.

THE OBJECTIVE IS NOT SIMPLY TO GROW LARGER BUT TO BUILD A BUSINESS CAPABLE OF GROWING BETTER.

FROM CAPABILITY TO SCALE

Our investments today are building a stronger foundation that will enable sustainable growth and improved profitability in the years ahead.

01 INVEST
Strengthening manufacturing infrastructure and adding new capabilities.

02 EXPAND
Broadening the product and application opportunities we can address.

03 UTILISE
Improving utilisation as capabilities scale and volumes develop.

04 OPTIMISE
Driving greater process efficiency and operating leverage.

05 CREATE VALUE
Building towards stronger, more sustainable profitability.

> Each investment is a step forward in building a more capable, efficient and resilient manufacturing platform that will create long-term value for all our stakeholders.

THE NEXT CURVE OF GROWTH

Clara's next phase is being built on the capabilities we are creating today. With a broader manufacturing platform, an expanding opportunity set and continued focus on operational discipline, we are working towards a business that can scale with greater efficiency and resilience.

Our priorities remain clear — deepen our manufacturing capabilities, improve utilisation, strengthen execution and pursue opportunities that can contribute meaningfully to long-term value creation.

SCALE
Building capabilities that support a larger and more diversified operating platform.

EFFICIENCY
Improving utilisation and extracting greater value from our manufacturing base.

PROFITABILITY
Working towards converting growth and scale into stronger, sustainable returns.

BUILDING THE NEXT CURVE IS ABOUT TURNING TODAY'S INVESTMENTS INTO TOMORROW'S OPERATING STRENGTH.

OPERATIONAL HIGHLIGHTS

STRENGTHENING EXECUTION ACROSS OPERATIONS.

FY2025-26 reflected continued focus on strengthening execution across our manufacturing operations, with emphasis on efficiency, quality, responsiveness and disciplined processes.

01 OPERATIONAL EFFICIENCY

Process discipline and resource utilisation strengthened manufacturing efficiency.

02 QUALITY & CONSISTENCY

Process controls and monitoring supported consistent quality and performance.

03 MANUFACTURING FLEXIBILITY

Flexible capabilities enabled us to address diverse customer requirements.

04 RESOURCE OPTIMISATION

Improved material utilisation supported more productive operations.

DISCIPLINED EXECUTION. CONSISTENT QUALITY. RESPONSIVE OPERATIONS.

FINANCIAL REVIEW

FY2025-26 reflected strong growth in the scale of Clara's operations, with total income increasing by nearly 30% year-on-year. Profitability during the year reflected the impact of continued investments aimed at strengthening manufacturing capabilities and supporting the Company's next phase of growth.

₹1,433.63 LAKHS
TOTAL INCOME
+29.9% YoY

₹240.61 LAKHS
PROFIT BEFORE TAX

₹180.05 LAKHS
PROFIT AFTER TAX

PERFORMANCE IN PERSPECTIVE

STRONGER SCALE

Total income grew by nearly 30%, reflecting a significant expansion in the scale of operations.

INVESTMENT PHASE

Profitability reflects continued investment in strengthening the Company's manufacturing and operating capabilities.

LONG-TERM FOCUS

The focus remains on improving utilisation and operating leverage as the expanded platform progressively scales.

SUSTAINABILITY & ESG

RESPONSIBLE GROWTH. PRACTICAL ACTION.

At Clara, sustainability is approached as an integral part of responsible manufacturing. Our focus is on using resources more efficiently, reducing waste and progressively strengthening practices that support responsible long-term growth.

RESOURCE EFFICIENCY
Focused on improving material utilisation and reducing avoidable waste across manufacturing processes.

RECYCLING & CIRCULARITY
Our recycled granules business supports the recovery and productive reuse of plastic waste.

PROCESS RESPONSIBILITY
Continued attention to operational efficiency helps optimise resources across our manufacturing activities.

For us, sustainability is not a standalone initiative — it is about progressively improving the way we manufacture, utilise resources and create value.

OUR ESG APPROACH

E S G

ENVIRONMENT
Responsible use of resources

Improving material efficiency, supporting recycling and reducing waste through more responsible manufacturing practices.

SOCIAL
People at the centre of operations

Promoting a safe, respectful and supportive workplace while strengthening skills and capabilities across our organisation.

GOVERNANCE
Integrity in the way we operate

Maintaining responsible business practices, accountability and governance processes that support sustainable long-term value creation.

OUR APPROACH

RESPONSIBLE MANUFACTURING
Efficient use of materials and resources.

RESPONSIBLE WORKPLACE
Safety, development and respect for our people.

RESPONSIBLE BUSINESS
Integrity, accountability and disciplined governance.

Growing responsibly means creating value with consideration for our resources, our people and the way we conduct business.

BOARD OF DIRECTORS

MRS. PARRY KUKREJA
Managing Director

MR. NIKHIL KUKREJA
Executive Director &
Chief Financial Officer

MRS. PRIYANKA MEDIRATA
Non- Executive Director

MR. MAN MOHAN SINGH
Independent Director

MR. AVDESH KAMBOJ
Independent Director

CORPORATE GOVERNANCE COMMITTEES

AUDIT COMMITTEE
Mr. Nikhil Kukreja
Mr. Man Mohan Singh
Mr. Avdesh Kumar Kamboj

STAKEHOLDER'S REMUNERATION COMMITTEE
Mr. Nikhil Kukreja
Mr. Man Mohan Singh
Mr. Avdesh Kumar Kamboj

CORPORATE SOCIAL RESPONSIBILTY COMMITTEE
Ms. Parry Kukreja
Mr. Man Mohan Singh
Mr. Avdesh Kumar Kamboj

NOMINATION & REMUNERATION COMMITTEE
Mr. Avdesh Kumar Kamboj
Mr. Man Mohan Singh
Ms. Priyanka Mediratta

INTERNAL COMPLAINTS COMMITTEE
Ms. Parry Kukreja
Ms. Pooja
Mr. Vidya Bhushan Tyagi
Mr. Rakesh Kumar Pal

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, 6th 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

02

STATUTORY REPORTS

NOTICE

NOTICE is hereby given that the 5th Annual General Meeting of the Members of Clara Industries Limited will be held on Tuesday 29th September, 2026 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, 2026, including the Audited Balance Sheet as at 31st March, 2026, 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.

2. Re-appointment of Statutory Auditors

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

"**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013, and the rules made thereunder, and other applicable laws, regulations and guidelines, M/s Jay Gupta and Associates, Chartered Accountants, FRN: 329001E, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for a term of five consecutive financial years commencing from the financial year 2026-27 and ending with the financial year 2030-31, at such remuneration as may be determined by the Board of Directors of the Company in consultation with the Statutory Auditors."

SPECIAL BUSINESS:

3. Re-appointment of Mrs. Parry Kukreja (DIN: 06649401) as Managing Director

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded to re-appoint Mr. Parry Kukreja (DIN: 06649401) as Managing Director of the Company, with effect from September 29, 2026, on the terms and conditions including remuneration as approved by the Board.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, and things, including filing mandatory statutory forms with the Registrar of Companies, Uttar Pradesh, and making necessary stock exchange disclosures, as may be required to give full effect to this resolution."

4. Appointment of Ms. Geeta Rani as an Independent Non- Executive Director

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Ms. Geeta Rani (DIN: 11286865), who has submitted a declaration that she meets the criteria for independence provided under Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Non-executive Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years.

5. Appointment of Ms. Noor Kukreja as a Non-Executive Director and Chairperson

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

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Ms. Noor Kukreja (DIN: 10869211), who has provided her consent to act as a Director, be and is hereby appointed as a Non-Executive Director and Chairperson of the Company."

6. To take note of the appointment of Secretarial Auditor

To take note of the appointment of M/s Verma Ashish & Company, Practicing Company Secretaries, as the Secretarial Auditor of the Company for a term of five consecutive financial years commencing from the financial year 2025-26 and ending with the financial year 2029-30.

"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 07 , 2026

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 to 5 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 3 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 Members and Transfer Books of the Company will remain closed from Wednesday, the 23rd day of September, 2026 to Tuesday, the 29th day of September, 2026 (both days inclusive) for the purpose of the 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 authorizing 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 at 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 302, Kusal bazar, Nehru Place, New Delhi, Delhi 110019.

12. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit a 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 5th 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 5th Annual General Meeting and Annual report for 2025-26 will be available on company's website: 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. 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 07 , 2026

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 RE-APPOINTMENT OF STATUTORY AUDITORS

The Members are informed that M/s Jay Gupta and Associates, Chartered Accountants, FRN: 329001E, are proposed to be re-appointed as the Statutory Auditors of the Company for a term of five consecutive financial years commencing from the financial year 2026-27 and ending with the financial year 2030-31, in accordance with the applicable provisions of the Companies Act, 2013.

The Board of Directors, based on the recommendation of the Audit Committee, where applicable, has considered their re-appointment and is of the view that their continued association would be in the best interests of the Company. The Auditors have confirmed their eligibility and willingness to continue as Statutory Auditors of the Company.

The Board recommends the resolution set out at Item No. 2 for approval of the Members by way of an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their respective relatives is concerned or interested, financially or otherwise, in the proposed resolution.

ITEM NO: 3

TO APPROVE THE RE-APPOINTMENT OF MRS. PARRY KUKREJA AS MANAGING DIRECTOR

The Board of Directors of the Company, subject to the approval of the Members, has recommended the re-appointment of Mr. Parry Kukreja (DIN: 06649401) as Managing Director of the Company.

Mr. Parry Kukreja has submitted the requisite declaration confirming that he fulfills the criteria for appointment as prescribed under Section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and applicable rules thereunder, and is eligible for re-appointment as Managing Director of the Company.

In the opinion of the Board, Mr. Parry Kukreja fulfills the conditions specified under the Companies Act, 2013 and the applicable SEBI Listing Regulations for re-appointment as Managing Director.

The Board considers that his re-appointment as Managing Director would be in the best interests of the Company and recommends his re-appointment for a term of 5 (five) consecutive years with effect from September 29, 2026

ITEM NO: 4

TO APPROVE THE APPOINTMENT OF MS. GEETA RANI AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

The Board of Directors of the Company, subject to the approval of the Members, has recommended the appointment of Ms. Geeta Rani (DIN: 11286865) as an Independent Director of the Company.

Ms. Geeta Rani has submitted the requisite declaration confirming that she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and is eligible for appointment as an Independent Director of the Company.

In the opinion of the Board, Ms. Geeta Rani fulfils the conditions specified under the Companies Act, 2013 and the applicable rules made thereunder for appointment as an Independent Director and is independent of the management of the Company.

The Board considers that her appointment as an Independent Director would be in the best interests of the Company and recommends her appointment for a term of 5 (five) consecutive years, not liable to retire by rotation.

Except Ms. Geeta Sharma, none of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 for approval by the Members.

ITEM NO: 5

TO APPROVE THE APPOINTMENT OF MS. NOOR KUKREJA AS A NON-EXECUTIVE DIRECTOR AND CHAIRPERSON

The Board of Directors proposes the appointment of Ms. Noor Kukreja (DIN: 10869211) as a Non-Executive Director and Chairperson of the Company, pursuant to the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

Ms. Noor Kukreja has given her consent to act as a Director and has confirmed that she is eligible for appointment in accordance with the applicable provisions of the Companies Act, 2013. The Board is of the view that her appointment as a Non-Executive Director and Chairperson will be beneficial to the Company.

Ms. Noor Kukreja is the daughter of Mrs. Parry Kukreja, Managing Director of the Company, and Mr. Nikhil Kukreja, Executive Director of the Company. Accordingly, Ms. Noor Kukreja is concerned or interested in the proposed resolution and Mrs. Parry Kukreja and Mr. Nikhil Kukreja, being her relatives, are also concerned or interested in the proposed resolution.

Except for Ms. Noor Kukreja, Mrs. Parry Kukreja and Mr. Nikhil Kukreja, none of the other Directors, Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the proposed resolution.

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

CLARA INDUSTRIES LIMITED
CIN: L25209UP2021PLC151537
127/1 Gram Simbhalka Junardar, Paragna, Teshil and District Saharanpur UP 247001 IN

5th 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 Tuesday, 29th September, 2026 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 5th Annual General Meeting of the Company, to be held on Tuesday, 29th September, 2026 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
ORDINARY BUSINESS:	
1	To adopt the Audited Balance Sheet of the Company for the Financial Year ended 31st March, 2026 together with the Report of the Board of Directors and Auditors thereon.
2	To Approve the Re-Appointment of Statutory Auditors
SPECIAL BUSINESS:	
3	To Approve the Re-Appointment of Mrs. Parry Kukreja as Managing Director
4	To Approve the Appointment of Ms. Geeta Rani as An Independent Director
5	To Approve the Appointment of Ms. Noor Kukreja as A Non-Executive Director and Chairperson
6	To take note of the Appointment of Secretarial Auditor

Signed this ………. day of …………………........ 2026

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.

Clara
INDUSTRIES LIMITED

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.* * (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 07th September, 2026 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, 2026 together with the Report of the Board of Directors and Auditors thereon.	Ordinary			
2	To Approve the Re-Appointment of Statutory Auditors	Ordinary			
3	To Approve the Re-Appointment of Mrs. Parry Kukreja as Managing Director	Special			
4	To Approve the Appointment of Ms. Geeta Rani as An Independent Director	Special			
5	To Approve the Appointment of Ms. Noor Kukreja as A Non-Executive Director and Chairperson	Special			
6	To take note of the Appointment of Secretarial Auditor	Special			

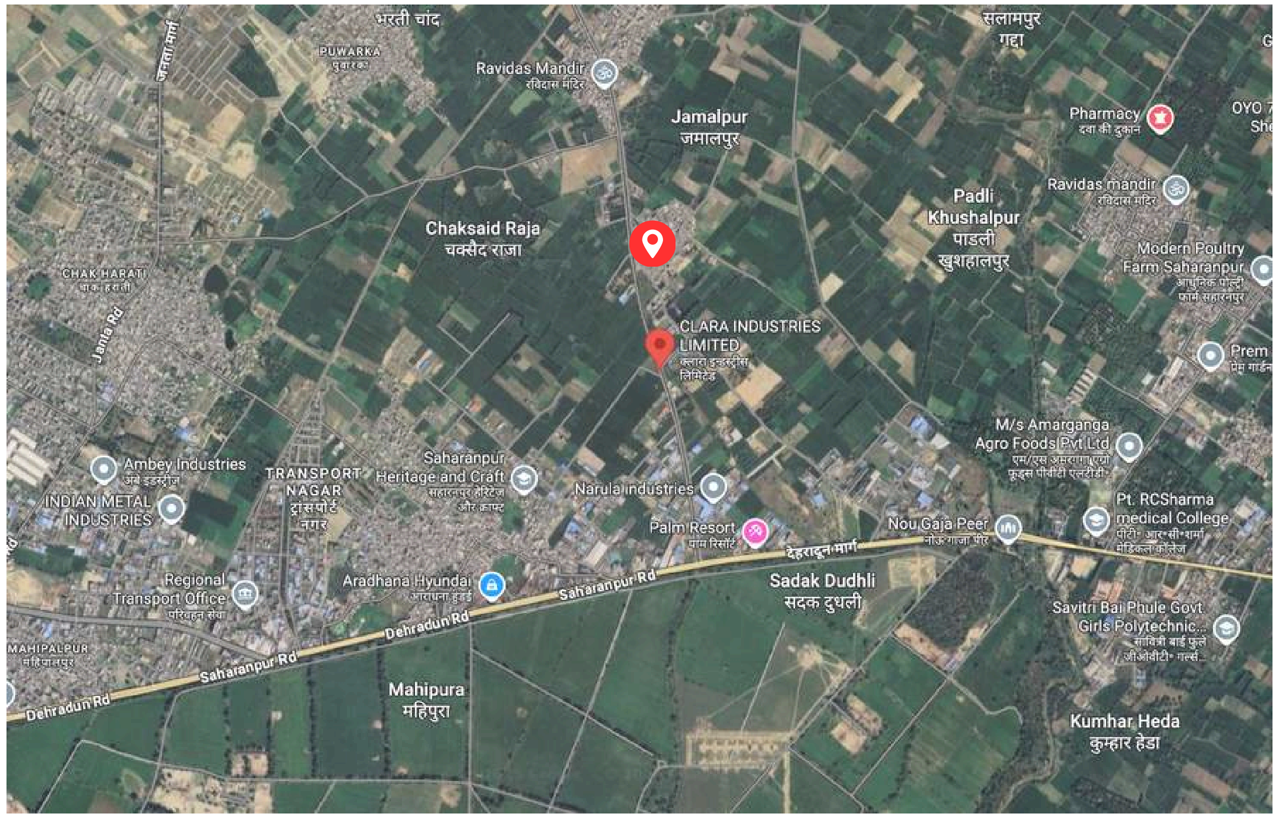
Place: Saharanpur
Date:

(Signature of Shareholder)

ROUTE MAP OF THE VENUE OF THE 5TH 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, 2026.

SUMMARY OF FINANCIAL RESULTS

For FY 2025-26, the Company recorded total income of ₹1,433.63 lakhs, with revenue from operations of ₹1,400.27 lakhs. Profit Before Tax stood at ₹240.61 lakhs, while Profit After Tax was ₹180.05 lakhs. As at March 31, 2026, total assets stood at ₹6,276.81 lakhs, compared with ₹4,495.99 lakhs as at March 31, 2025.

Below is the detailed financial statement:

Sr. No.	Particulars	Year to date figures as on 31.03.2026	% of total income	Year to date figures as on 31.03.2025	% of total income
	Income from Operations				
I.	Revenue from Operations	1400.27	97.67%	1077.89	97.65%
II.	Other Income	33.36	2.33%	25.89	2.35%
III.	**Total Income from Operations (Net)**	**1433.63**	**100.00%**	**1103.78**	**100.00%**
IV.	**Expenses**				
	Cost of Material Consumed	1700.21	118.59%	873.99	79.18%
	Changes in Inventories	-675.09	-47.09%	-130.15	-11.79%
	Employees Benefits Expenses	48.63	3.39%	7.35	0.67%
	Finance Costs	10.30	0.72%	17.17	1.56%
	Depreciation & Amortization Expenses	64.73	4.52%	25.34	2.30%
	Other Expences	44.24	3.09%	27.11	2.46%
	Total Expenses(IV)	**1193.02**	**83.22%**	**820.81**	**74.36%**
V.	**Profit before exceptional items and tax (III-IV)**	**240.61**	**16.78%**	**282.97**	**25.64%**
VI.	Exceptional Items (Net Gain/Loss)	-	-	-	-
VII.	**Profit before tax (V-VI)**	**240.61**	**16.78%**	**282.97**	**25.64%**
X.	**Tax Expenses**				
	Current Tax	60.13	4.19%	67.48	6.11%
	Earlier years Tax	0.00	0.00%	22.72	2.06%
	Deferred Tax	0.43	0.03%	3.74	0.34%
	Tax Expenses for the Year	**60.56**	**4.22%**	**93.94**	**8.51%**
XI.	**Profit (Loss) for the period from continuing operations (IX-X)**	**180.05**	**12.56%**	**189.03**	**17.13%**

PERFORMANCE OF THE COMPANY

During the financial year 2025-26, Clara Industries Limited recorded total income of ₹1,433.63 lakhs as compared to ₹1,103.78 lakhs in the previous year. Revenue from operations stood at ₹1,400.27 lakhs as against ₹1,077.89 lakhs in FY 2024-25. Profit Before Tax was ₹240.61 lakhs as compared to ₹282.97 lakhs in the previous year, while Net Profit After Tax amounted to ₹180.05 lakhs as against ₹189.03 lakhs in FY 2024-25.

During the year under review, the Company continued its operations with a focus on maintaining profitability and strengthening its financial position. Total assets increased to ₹6,276.81 lakhs from ₹4,495.99 lakhs in the previous year. Current assets stood at ₹4,206.81 lakhs, including inventories of ₹1,714.39 lakhs and trade receivables of ₹1,038.39 lakhs. Non-current assets stood at ₹2,070.00 lakhs.

The Company continued to focus on its business operations and financial stability during the year. The audited financial statements reflect continued investment in property, plant and equipment, with tangible assets increasing to ₹871.00 lakhs as at March 31, 2026 from ₹725.46 lakhs in the previous year.

The management remains focused on improving operational efficiency, strengthening working capital management and pursuing sustainable growth opportunities in the coming financial year.

COMPANY'S WEBSITE

The official website of your Company, 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 2025-26, the Company continued to strengthen its capital base. The Issued, Subscribed and Paid-up Equity Share Capital increased from ₹20.67 crore, comprising 2,06,72,900 equity shares of ₹10/- each, as at March 31, 2025 to ₹25.67 crore, comprising 2,56,72,900 equity shares of ₹10/- each, as at March 31, 2026. The increase in paid-up equity share capital during the year amounted to ₹5.00 crore. .

Further, during the year under review, the Company received ₹3.59 crore towards Money Received Against Share Warrants, which remained outstanding as at March 31, 2026.

Accordingly, as on March 31, 2026, the Issued, Subscribed and Paid-up Share Capital of the Company stood at ₹25,67,29,000/-, divided into 2,56,72,900 equity shares of ₹10/- each.

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.

The Board is structured to ensure balance and independence in decision-making. As at March 31, 2026, the Board comprised five Directors: one Managing Director, one Executive Director, one Non-Executive Director and two Independent Directors.

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.

COMPOSITION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Ms. Pooja continued to act as the Company Secretary and Compliance Officer of the Company during FY 2025-26.

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.

As on the date of this Report, the Board of Clara Industries Limited comprises five (5) Directors, including one Woman Managing Director, one Executive Director, one Non-Executive Director and two Independent Directors.

Managing Director: Ms. Parry Kukreja
Executive Director: Mr. Nikhil Kukreja
Non-Executive Director: Ms. Priyanka Mediratta
Independent Directors: Mr. Avdesh Kumar Kamboj and Mr. Man Mohan Singh

CHANGE IN NATURE OF BUSINESS

During the financial year ended March 31, 2026, 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.

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 financial year 2025-26, no dividend was declared or paid. The Board does not recommend any dividend for the financial year ended March 31, 2026

The applicability of the Dividend Distribution Policy requirements should be confirmed based on the Company's status and applicable SEBI regulations for FY 2025-26.

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 and Para VII(1) of Schedule IV to the Act, a separate meeting of the Independent Directors was held during FY 2025-26. The exact date should be inserted from the minutes of the Independent Directors' meeting.

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

Particulars of related party transactions for the financial year 2025-26 shall be disclosed in Form AOC-2, as applicable, based on the final related party transaction records and the audited financial statements.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans, guarantees and investments for the financial year ended March 31, 2026 shall be disclosed, as applicable, based on the Company's statutory records and the relevant provisions of the Companies Act, 2013.

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

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 concerning Corporate Social Responsibility (CSR) were not applicable to the Company for the financial year ended March 31, 2026, as the Company did not fulfill the threshold criteria prescribed under Section 135(1) of the Act regarding net worth, turnover, or net profit.

Consequently, the Company was not required to constitute a Corporate Social Responsibility Committee, formulate a CSR Policy, or allocate funds towards CSR initiatives for the financial year 2025-26.

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

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

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 01, 2025, May 21, 2025, July 16, 2025, July 21, 2025, July 23, 2025, September 6, 2025 November 14, 2025, January 19, 2026, February 21, 2026 and March 25, 2026 respectively. The interval between any two consecutive meetings did not exceed the statutory limit of one hundred and twenty days.

DIRECTOR'S ATTENDANCE RECORD

During the financial year 2025-26, the Board of Directors of the Company convened ten (10) meetings on May 01, 2025, May 21, 2025, July 16, 2025, July 21, 2025, July 23, 2025, September 6, 2025 November 14, 2025, January 19, 2026, February 21, 2026 and March 25, 2026 respectively. The requisite quorum was present at all the meetings. All the Directors attended all ten meetings, and the attendance details are as follows:

Name of Directors	Number of Board Meetings Attended During The Year	Whether Attended Last Annual General Meeting
Mr. Nikhil Kukreja	10 out of 10	Yes
Ms. Parry Kukreja	10 out of 10	Yes
Ms. Priyanka Mediratta	7 out of 10	Yes
Mr. Avdesh Kumar Kamboj	10 out of 10	Yes
Mr. Man Mohan Singh	10 out of 10	Yes

Accordingly, all the Directors recorded 100% attendance at the Board Meetings held during the financial year 2025-26.

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:

Members	DIN and Membership No.	Designation
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 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, M/s. Jay Gupta and Associates, Chartered Accountants (Firm Registration No. 329001E), were appointed as the Statutory Auditors of the Company.

As their current tenure completes at the ensuing Annual General Meeting ("AGM"), the Board of Directors, based on the recommendation of the Audit Committee, recommends the re-appointment of M/s. Jay Gupta and Associates, Chartered Accountants (FRN: 329001E), as Statutory Auditors of the Company for a second term of 5 (five) consecutive financial years, to hold office from the conclusion of the ensuing AGM until the conclusion of the AGM to be held in the calendar year 2031 (covering the financial years 2026-27 to 2030-31), at such remuneration as may be determined by the Board of Directors in consultation with the Auditors.

SECRETARIAL AUDITORS

The Secretarial Audit Report issued by M/s. Verma Ashish & Company in Form MR-3 for the financial year ended March 31, 2026, forms an integral part of this Board's Report and is annexed herewith as [Annexure-A].

The Secretarial Audit Report is self-explanatory and does not contain any qualification, reservation, adverse remark, or disclaimer for the financial year 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 March 31, 2026 and the date of signing of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The particulars relating to conservation of energy, technology absorption and foreign exchange for FY 2025-26 shall be provided based on the Company's operational records, as applicable.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The applicability of the provisions relating to the Investor Education and Protection Fund for FY 2025-26 shall be confirmed from the Company's statutory records and share transfer/dividend records.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

No significant or material orders passed by regulators, courts or tribunals during FY 2025-26 have been identified from the records shared for preparation of this Report.

RISK MANAGEMENT

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.

INTERNAL CONTROL SYSTEMS INCLUDING INTERNAL FINANCIAL CONTROLS

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.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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.

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.

The vigil mechanism/whistle blower complaints position for FY 2025-26 shall be confirmed from the Company's records before finalisation of this Report.

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.

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, forsafeguarding 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.

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.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the financial year 2025-26, the Company's compliance with the applicable Secretarial Standards on Board Meetings (SS-1) and General Meetings (SS-2) should be confirmed by reference to the statutory records and Secretarial Audit.

ANY PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There were no proceedings under the Insolvency and Bankruptcy Code, 2016 against the Company during FY 2025-26, based on the records shared for preparation of this Report.

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.

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 07 , 2026

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	As per "Annexure 1" of Notes to Financial Statements on Standalone basis for the year ended March 31, 2026
(b)	Nature of contracts / arrangements / transaction	
(c)	Duration of the contracts / arrangements / transaction	
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
(e)	Date(s) of approval by the Board, if any:	
(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 07 , 2026

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[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]

To,

The Members,
CLARA INDUSTRIES LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Clara Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

The Following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:
(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act1999 and the rules made thereunder; the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not applicable to the Company during the period of audit
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
We have also examined compliance with the applicable clauses of the following:
(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(vi) We further report that after considering the compliance system prevailing in the Company, and after carrying out test checks of the relevant records and documents maintained by theCompany, it has complied with the following laws that are applicable specifically to theCompany:

a) The Information Technology Act, 2000
b) The Trade Marks Act, 1999
c) Income Tax Act, 1961

During the period under review, the Company has undertaken a preferential allotment of equity shares in accordance with the provisions of Section 42 and Section 62(1)(c) of the Companies Act, 2013 and applicable rules made thereunder. The necessary approvals from the Board, shareholders, and stock exchange(s) were obtained, and requisite filings were made with the regulatory authorities.

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

(i)Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii)The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- To the extent
applicable.
(iii)The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

Majority decision is carried through while the dissenting members' views are 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.

FOR VERMA ASHISH & CO.
Company Secretary

CS ASHISH VERMA
Prop.
ACS: 59867
C.P.: 22530
PRC 2331/2022
UDIN: F014247H001391139

Place : Saharanpur
Date : September 07 , 2026

"ANNEXURE A"

Date: 07/09/2025
Ref: SA/01/2025-26/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: F014247H001391139

Place : Saharanpur
Date : September 07, 2026

Clara INDUSTRIES LIMITED

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, 2026, 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 07 , 2026

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

ACTIVITIES FOR THE FINANCIAL YEAR ENDING MARCH 31, 2026

[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, 2026, 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	0	0
Mr. Man Mohan Singh	Independent Director- Member	0	0
Ms. Parry Kukreja	Director- Member	0	0

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

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: Not Applicable
(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: Not Applicable
(c) Surplus arising out of CSR Projects or programmes or activities of the previous financial years: Not Applicable
(d) Amount required to be set-off for the financial year, if any: Not Applicable
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Not Applicable

6. Details of CSR Spend for the Financial Year
(a) Amount spent on CSR Project (both ongoing projects and other than ongoing projects): Not Applicable
(b) Amount spent on Administrative Overheads: Not Applicable
(c) Amount spent on Impact Assessment, if applicable: Not Applicable
(d) Total amount spent for the Financial Year (6a+6b+6c): Not Applicable
(e) CSR amount spent or unspent for the Financial Year: Not Applicable
(f)Excess amount for set-off, if any: Not Applicable

7. Details of Unspent CSR amount for the preceding three financial years: Not Applicable

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:** Not Applicable
- **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 07 , 2026

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS OVERVIEW

Clara Industries Limited operates across packaging and allied products through a diversified manufacturing platform serving industrial, institutional and consumer applications. Over time, the Company has developed capabilities across packaging films, flexible packaging, polypropylene mats, recycled granules, self-adhesive tapes, horticulture bags and food wraps. During FY2025-26, the Company continued to strengthen this platform while investing in capabilities intended to support a larger and more diversified operating base.

The Company's business model is built around a common set of manufacturing strengths: polymer processing, extrusion, printing, lamination, conversion, quality control and application-led product development. This shared operating base provides flexibility across product categories and enables the Company to respond to varied customer requirements without relying on a single end-market. The diversity of the portfolio also provides a measure of resilience when demand conditions differ across industries.

Packaging remains closely linked to consumption, manufacturing, food processing, agriculture, pharmaceuticals, logistics, organised retail and e-commerce. This gives the Company exposure to several structural drivers of the Indian economy. At the same time, the sector is subject to polymer-price volatility, competition, evolving environmental regulation and increasing customer expectations around quality, traceability and responsible material use. Clara's operating approach therefore seeks to balance growth with process discipline, quality consistency and prudent capital allocation.

FY2025-26 represented an important investment phase for the Company. Alongside the existing diversified portfolio, Clara invested in additional manufacturing capability, including PP woven sack looms. The strategic intent is to broaden the addressable opportunity set and build a platform that can support higher scale over time. As these capabilities mature, management's focus remains on utilisation, efficiency, customer development and translating scale into sustainable profitability.

Diversified Business Platform

The Company's portfolio spans products that serve multiple stages of the packaging and consumption ecosystem. Packaging films and flexible packaging support product protection, handling, branding and shelf-life requirements. Recycled granules support the productive reuse of plastic material. Self-adhesive tapes address sealing and bundling requirements. PP mats, horticulture bags and food wraps extend the platform into household, agriculture and institutional applications. The addition of woven-sack manufacturing capability further expands Clara's relevance to bulk and industrial packaging applications.

This diversity is complemented by a common operating philosophy centred on customer requirements, consistent quality, flexible manufacturing and progressive improvement in resource utilisation. The Company seeks to build long-term relationships by delivering dependable products, maintaining responsiveness and adapting specifications to application requirements.

Manufacturing Philosophy

Manufacturing capability is a central pillar of Clara Industries' competitive position. The Company's facilities combine extrusion, printing, lamination, conversion and recycling-related capabilities to support multiple product categories. The integrated nature of operations gives Clara flexibility to manage different formats and specifications while maintaining closer control over quality and production execution. The Company continues to emphasise process discipline, regular quality checks, efficient material utilisation and timely execution. In a polymer-based manufacturing environment, relatively small improvements in yield, waste control, machine utilisation and conversion efficiency can materially influence operating performance. Accordingly, management's approach to scale is accompanied by a continued focus on operational discipline and working-capital management.

Customer-led Approach

Packaging requirements are increasingly application-specific. Customers expect suppliers to balance functional performance, cost, print quality, ease of handling, regulatory suitability and sustainability considerations. Clara's approach is therefore centred on understanding use cases and adapting products to customer specifications rather than following a one-format-fits-all model. This orientation supports customer retention while creating opportunities for cross-selling across the Company's manufacturing platform.

RESEARCH, INNOVATION AND PRODUCT DEVELOPMENT

Innovation in packaging is increasingly driven by the need to do more with less material, improve product protection, enhance print and presentation, and respond to environmental and regulatory expectations. For Clara Industries, product development is approached as a continuous process of improving materials, structures, specifications and conversion methods to meet evolving customer needs.

The Company's product-development efforts are closely linked to manufacturing practicality. This includes evaluating film structures, thickness, strength, printability, sealing performance, handling characteristics and application suitability. Customer feedback and shop-floor learning are important inputs into this process. Rather than treating innovation as a standalone function, the Company seeks to embed continuous improvement into everyday operations.

The recycled-granules business also gives Clara exposure to the broader movement toward material circularity. As India's regulatory framework progressively increases recycling and recycled-content obligations for plastic packaging, the ability of the packaging ecosystem to recover, process and reuse polymer material is becoming increasingly important. The Company intends to remain attentive to such developments while ensuring that any use of recycled material is consistent with product-specific performance, safety and regulatory requirements.

Product and Process Priorities

- Improving consistency of film and converted-product specifications.
- Enhancing print quality and conversion efficiency for customer-specific formats.
- Reducing avoidable process waste through better controls and material utilisation.
- Evaluating product structures and formats that can support recyclability and responsible material use where technically and commercially feasible.

- Using customer feedback to refine product specifications and application performance.
- Strengthening quality assurance from incoming material through final conversion.

GROWTH JOURNEY AND STRATEGIC DIRECTION

Clara Industries' growth strategy is based on strengthening existing businesses while adding capabilities that are complementary to the Company's core manufacturing know-how. This approach seeks to avoid dependence on any single product category and to create a broader platform capable of serving different customer and end-use requirements.

During FY2025-26, the Company's emphasis moved from merely consolidating capacity toward investing for the next phase of scale. The addition of PP woven sack looms reflects this direction. Woven sacks are used across applications such as agriculture, fertilisers, cement and other industrial products, and the new capability can potentially open a wider set of customer opportunities as utilisation develops.

Management recognises that capacity creation precedes capacity utilisation. New equipment and capabilities can initially result in higher depreciation, finance, manpower, trial, commissioning and operating costs before the full revenue benefit is realised. Consequently, the Company views FY2025-26 as a year in which expansion in operating scale was accompanied by continued investment in the manufacturing platform. The key objective going forward is to improve utilisation and operating leverage while maintaining financial discipline.

Strategic Priorities

- Scale existing businesses through higher utilisation and deeper customer engagement.
- Build the PP woven-sack capability progressively and align production with market development.
- Maintain quality and process discipline while volumes increase.
- Improve operating leverage through better machine utilisation, yield and resource productivity.
- Strengthen working-capital discipline and responsible capital allocation.
- Pursue growth opportunities that fit Clara's manufacturing strengths and risk appetite.

GLOBAL ECONOMIC ENVIRONMENT

The global economy remained resilient through 2025 despite significant trade-policy shifts, geopolitical uncertainty and uneven growth across regions. By January 2026, the International Monetary Fund assessed global growth at an estimated 3.3% in 2025 and projected growth of 3.3% in 2026 and 3.2% in 2027. The IMF noted that technology-related investment, supportive financial conditions, policy support in some economies and private-sector adaptability were offsetting part of the drag from trade-policy uncertainty.

Source: International Monetary Fund, World Economic Outlook Update, January 2026.

Global inflation continued to moderate, although the pace of disinflation differed across economies. The IMF projected global headline inflation to decline from an estimated 4.1% in 2025 to 3.8% in 2026 and 3.4% in 2027. For manufacturing businesses, the combination of moderating inflation and still-elevated geopolitical and trade risks created a mixed operating environment: some cost pressures eased, while exchange rates, commodity markets, freight routes and supply-chain decisions remained sensitive to global developments.

Source: International Monetary Fund, World Economic Outlook Update, January 2026.

Trade and Supply-chain Realignment

Trade policy remained an important source of uncertainty during FY2025-26. Tariff actions, bilateral negotiations and changes in sourcing strategies continued to influence global trade flows. The IMF expected world trade volume growth to moderate from 4.1% in 2025 to 2.6% in 2026, before improving to 3.1% in 2027. For packaging manufacturers, these shifts matter through their impact on export demand, imported equipment, polymer and chemical supply chains, freight costs and the broader investment environment.

Source: International Monetary Fund, World Economic Outlook Update, January 2026.

At the same time, supply chains continued to diversify. Businesses across industries have increasingly sought multiple sourcing locations and greater resilience in procurement. India's growing manufacturing base, domestic market and infrastructure investment have strengthened its relevance within this realignment. For

Indian packaging companies, this creates opportunities to participate in domestic supply chains and, selectively, export markets, while also requiring adherence to increasingly demanding quality and compliance expectations.

Regional Trends

United States

The United States entered 2026 with comparatively resilient growth, supported by investment and easing monetary conditions, but continued to face uncertainties associated with trade barriers and inflation. The IMF's January 2026 update projected U.S. growth of 2.4% in 2026. The scale of the U.S. consumer market and continued investment activity remained supportive, though trade policy continued to influence global business sentiment.

China

China remained a major influence on global manufacturing and polymer-linked supply chains. The IMF estimated China's growth at 5.0% in 2025 and projected 4.5% in 2026, supported by policy measures while structural headwinds and relatively weak domestic consumption persisted. Changes in Chinese demand, exports and industrial capacity can influence regional pricing and competitive conditions for many manufactured products.

Europe

Europe continued to experience a comparatively softer growth environment, although policy support and gradual stabilisation provided some improvement. For packaging, Europe remains important as a source of sustainability standards, packaging innovation and circular-economy regulation, with developments in the region often influencing global customer expectations and material design priorities.

Source: International Monetary Fund, World Economic Outlook Update, January 2026.

Global Outlook

The near-term global outlook remains characterised by resilience alongside material downside risks. Geopolitical tensions, protectionism, financial-market volatility and shifts in technology investment can affect confidence and trade. For Clara Industries, the principal relevance lies in monitoring the effect of these developments on polymer input costs, exchange rates, customer demand, imported machinery and export-market opportunities. A diversified business mix and disciplined procurement remain important tools for navigating external volatility.

INDIAN ECONOMY

India maintained strong economic momentum during FY2025-26. Under the new GDP series with base year 2022-23, the Second Advance Estimates released on 27 February 2026 estimated real GDP growth of 7.6% in FY2025-26, compared with 7.1% in FY2024-25. Real GVA was estimated to grow by 7.7%. The performance reflected robust activity during the middle quarters of the year and continued strength in domestic demand and services, alongside a supportive investment environment.

Source: Government of India / Ministry of Statistics & Programme Implementation, Second Advance Estimates of Annual GDP for FY2025-26, 27 February 2026.

The Economic Survey 2025-26, tabled in January 2026, had earlier estimated FY2025-26 real GDP growth at 7.4%, highlighting consumption and investment as key drivers. The subsequent Second Advance Estimates strengthened that assessment. India therefore remained among the fastest-growing major economies during the year, supported by household consumption, infrastructure creation, digitalisation and continued formalisation of economic activity.

Source: Economic Survey 2025-26 / Press Information Bureau, 29 January 2026; MoSPI Second Advance Estimates, 27 February 2026.

Manufacturing and Investment

Manufacturing remained an important component of India's growth agenda. Public infrastructure spending, the expansion of logistics networks, increasing formalisation and policy emphasis on domestic manufacturing continued to support the industrial ecosystem. For packaging companies, manufacturing growth is relevant not only through direct industrial packaging demand but also through the broader expansion of FMCG, food processing, pharmaceuticals, consumer goods, agriculture inputs and organised distribution.

Investment activity also supported demand for capital goods and industrial inputs. A stronger manufacturing ecosystem can improve the depth of supplier networks and customer opportunities available to domestic packaging manufacturers. At the same time, competitive intensity is likely to increase as companies add capacity and adopt more efficient technologies.

Consumption and Domestic Demand

India's large domestic consumer base remained a central source of resilience. Rising urbanisation, higher penetration of organised retail, rapid adoption of e-commerce and quick commerce, and evolving food-consumption patterns continue to influence packaging demand. These trends favour formats that are lightweight, convenient, printable, tamper-evident and capable of supporting efficient distribution.

Rural demand also remained important for categories such as packaged foods, home and personal care, agricultural inputs and household products. The breadth of Indian consumption enables packaging demand to arise across multiple price points, pack sizes and channels, creating opportunities for manufacturers with flexible production capabilities.

Inflation

Inflation conditions were relatively contained by the end of the year compared with earlier periods. The All-India CPI inflation rate for February 2026, the latest monthly reading available by 31 March 2026, was 3.21% year-on-year under the new CPI base 2024=100. Food inflation was 3.47%. Moderating consumer inflation can support household purchasing power; however, packaging manufacturers remain exposed to commodity-specific input-price movements that may not move in line with headline CPI.

Source: National Statistics Office / Press Information Bureau, CPI for February 2026, released 12 March 2026.

Exports and External Sector

India's exports showed resilience despite a complex global trade environment. During April-February FY2025-26, total exports of merchandise and services were estimated at US$790.86 billion, representing growth of 5.79% over the corresponding period of the previous year. Merchandise exports during the period were US$402.93 billion, while non-petroleum exports grew by 5.03%. Engineering goods, electronics, chemicals and several food-related categories were among the contributors to export growth in February 2026.

Source: Department of Commerce, Ministry of Commerce & Industry, trade release dated 16 March 2026.

A growing export ecosystem can indirectly support packaging demand by increasing the need for reliable transport, protective, industrial and consumer packaging. For Clara, export opportunities should be approached selectively, with attention to product specifications, regulatory requirements, freight economics, customer credit and foreign-exchange exposure.

Economic Outlook

India's structural growth drivers remain favourable, although global trade uncertainty, commodity-price movements and geopolitical events may influence near-term conditions. The continued expansion of consumption, manufacturing, infrastructure, e-commerce and organised retail provides a supportive context for packaging demand. The Company will remain focused on capturing relevant opportunities while maintaining flexibility in procurement, production planning and capital allocation.

PACKAGING INDUSTRY OVERVIEW

Packaging is an essential part of modern supply chains. It protects products, supports hygiene and shelf life, enables transportation and storage, communicates product information and creates a platform for branding. Demand for packaging therefore tracks a wide set of economic activities rather than a single sector. Food and beverages, FMCG, pharmaceuticals, personal care, agriculture, chemicals, industrial goods, logistics and e-commerce all require packaging in different formats and performance specifications.

The industry continues to evolve toward lighter materials, more efficient structures, higher print quality, smaller and more convenient pack sizes, improved traceability and greater consideration of end-of-life outcomes. The transition is not uniform: performance, cost and safety remain critical, and material choices differ significantly by application. Manufacturers must therefore balance functionality with regulatory requirements, sustainability objectives and commercial viability.

Key Industry Trends

Convenience and Smaller Pack Formats

Urban lifestyles, on-the-go consumption, food delivery and increasing product variety support demand for pouches, sachets, wraps and other flexible formats. These formats can offer material efficiency, lower transport weight and strong printability while enabling multiple pack sizes.

Growth of Organised Retail, E-commerce and Quick Commerce

Digital commerce has increased the importance of packaging as both a protective and presentation medium. Products need to withstand handling across distribution networks while remaining convenient for consumers. This creates demand for films, pouches, tapes and other packaging components across the fulfilment chain.

Brand Differentiation through Packaging

In competitive consumer categories, packaging serves as a point of visual communication and differentiation. High-quality printing, consistent colour reproduction and functional design therefore remain important. Flexible packaging can combine protection and branding in relatively lightweight structures, supporting its relevance across several end-use sectors.

Material Efficiency and Circularity

Regulation and customer expectations are increasingly shifting attention from the use of plastic alone to the way plastic is designed, collected, recycled and reused. Packaging companies are being pushed to improve recyclability, reduce avoidable material use and support recovery systems. This transition creates both compliance requirements and opportunities for manufacturers that can improve process efficiency and participate in recycling-linked value chains.

GLOBAL FLEXIBLE PACKAGING LANDSCAPE

Flexible packaging remains a significant part of the global packaging industry because of its low weight, adaptability, printing potential and ability to protect products using relatively efficient material structures. Demand is supported by food and beverages, healthcare, personal care, household products and industrial applications. The market also benefits from the continuing shift toward portable and convenience-oriented formats.

Unlike the FY2024-25 MD&A, which presented multiple market-size estimates from different sources, this year's discussion deliberately avoids relying on a single commercial-market estimate. Published market studies vary materially in scope and methodology, particularly in whether they include films, bags, pouches, labels, industrial flexible packaging and regional sub-categories. For statutory-reporting purposes, the Company therefore focuses on observable structural trends rather than presenting potentially inconsistent headline market-size numbers.

Across regions, the direction of innovation is increasingly influenced by recyclability, downgauging, mono-material structures where technically feasible, high-barrier performance, digital printing, traceability and smart-packaging features. Asia remains a key manufacturing and consumption region due to population, urbanisation, consumer-market expansion and manufacturing depth. Europe continues to influence sustainability and packaging-design standards, while North America remains an important market for convenience packaging and technology-led applications.

INDIAN FLEXIBLE PACKAGING INDUSTRY

India's flexible packaging industry is supported by several structural demand drivers: a large and growing consumer market, increased consumption of packaged food, expansion of organised retail, rising pharmaceutical and personal-care demand, quick commerce and e-commerce, and the need for efficient logistics. Flexible packaging is relevant across these applications because it can combine product protection, printability, convenience and relatively low material weight.

The industry is also becoming more technically demanding. Customers increasingly seek consistency in film properties, print quality, sealing, barrier performance and machinability, while regulations and sustainability commitments are changing expectations around material design and waste management. Manufacturers that can combine dependable quality with efficient conversion and application-specific development are likely to remain better positioned in this environment.

Food and FMCG Demand

Food and FMCG continue to be important users of flexible packaging. Growth in packaged snacks, staples, dairy products, processed foods, personal care and household categories increases the requirement for pouches, printed films, laminated structures and wraps. Pack-size diversity is particularly important in India, where products are sold across mass, value and premium segments.

Pharmaceutical and Healthcare Applications

Healthcare and pharmaceutical applications require strong emphasis on hygiene, product protection, traceability and regulatory suitability. While Clara's exact exposure to pharmaceutical packaging should be disclosed only to the extent supported by customer/product records, the broader sector remains an important demand driver for high-quality packaging materials and secure document-handling formats.

Agriculture and Industrial Packaging

Agricultural inputs, horticulture, fertilisers, grains, cement and other industrial products create demand for durable packaging and bulk-handling formats. Clara's addition of PP woven sack looms expands the Company's ability to address this wider industrial packaging opportunity as the capability is commercialised and customer relationships are developed.

INDIAN PLASTICS INDUSTRY AND CIRCULARITY TRANSITION

Plastics remain deeply embedded in modern packaging because of their combination of light weight, strength, moisture resistance, processability and cost efficiency. At the same time, plastic waste is a major environmental concern, and the policy direction in India increasingly emphasises waste collection, recycling, recycled content and accountability across the packaging value chain.

This creates a transition rather than a simple replacement of one material with another. For many applications, especially food, healthcare and industrial packaging, product safety and performance remain non-negotiable. The industry's challenge is therefore to improve design, recovery and recycling while maintaining required functionality. This transition is likely to reward manufacturers that invest in process efficiency, material understanding, traceability and responsible waste management.

Recycling and Recycled Material

Clara's recycled-granules business provides exposure to the recovery and productive reuse of plastic material. Recycled polymer can support circularity by reducing the requirement for virgin material in suitable applications. However, recycled-content use must be assessed product by product, particularly where food contact, hygiene, strength, colour or high-performance specifications apply. The Company's approach should remain grounded in applicable rules, customer specifications and validated material performance.

REGULATORY AND POLICY LANDSCAPE

Extended Producer Responsibility for Plastic Packaging

India's Extended Producer Responsibility framework for plastic packaging places lifecycle responsibilities on Producers, Importers and Brand Owners and is increasingly important to packaging design and waste-management practices. For FY2025-26, the minimum recycling requirement under the EPR framework increased to 60% of the EPR target for Category I and Category IV plastic packaging and to 40% for Category II and Category III plastic packaging.

Source: Central Pollution Control Board / Plastic Waste Management EPR framework and related guidelines applicable to plastic packaging.

The framework also provides for mandatory use of recycled plastic content in specified packaging categories according to prescribed timelines and percentages. These obligations primarily fall on obligated entities as defined under the rules, but they influence the entire packaging supply chain by affecting customer specifications, demand for recycled material, traceability and procurement practices.

For Clara Industries, the regulatory direction reinforces the importance of efficient material use, reliable records, customer communication and the development of products that can respond to changing sustainability requirements. The Company should continue to monitor amendments and CPCB guidance relevant to the products it manufactures and the role it plays in the value chain.

Plastic Waste Management Rules and Single-use Plastics

The Plastic Waste Management Rules, 2016, as amended from time to time, provide the principal regulatory framework for plastic waste in India. The framework covers responsibilities relating to plastic waste generation, collection, processing and extended producer responsibility. India's restrictions on identified single-use plastic items have also increased awareness and encouraged the market to distinguish between problematic short-life items and packaging formats with legitimate functional requirements and established recovery pathways.

Source: Ministry of Environment, Forest and Climate Change, Plastic Waste Management Rules, 2016 and subsequent amendments.

Food-contact Packaging

Food packaging must comply with applicable Food Safety and Standards Authority of India requirements concerning material suitability, safety and labelling. The regulatory environment is progressively evolving to accommodate sustainability objectives while maintaining food-safety safeguards. Any use of recycled plastic for direct food-contact applications should be undertaken only where specifically permitted and in accordance with the applicable FSSAI framework, approved processes and customer requirements.

Regulatory Implications for the Industry

- Greater emphasis on material traceability and documentation.
- Growing demand for recycled material in eligible packaging categories.
- Increased need for design-for-recyclability and responsible material selection.
- Higher compliance and reporting requirements across the packaging value chain.
- Opportunities for recyclers and manufacturers that can supply consistent recycled material.
- Continued need to balance sustainability with food safety, barrier performance and product protection.

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

Packaging films form an important part of the Company's manufacturing platform. Produced in different structures and specifications depending on application requirements, films can provide strength, flexibility, moisture protection and a substrate for printing and conversion. They are supplied in roll and converted formats for industrial and consumer-facing uses. The Company's film capability also supports downstream flexible-packaging operations.

Flexible Packaging

The flexible-packaging business converts films into printed and laminated rolls and pouches tailored to customer requirements. The key value proposition lies in combining product protection with print quality, presentation and convenience. Demand is supported by food, FMCG and other consumer categories, although performance requirements vary materially by application.

Recycled Granules

The recycled-granules business converts suitable plastic waste into reusable polymer material for appropriate applications. This activity supports more efficient resource use and provides Clara with participation in the circular-material value chain. Quality consistency, segregation and application suitability are important to ensuring that recycled material meets required specifications.

PP Mats

The Company manufactures polypropylene mats for household, institutional and other applications. The products are lightweight, durable and designed for ease of handling and maintenance. The business provides Clara exposure to a consumer-oriented product category distinct from conventional packaging applications.

Self-Adhesive Tapes

Self-adhesive tapes are used for sealing, bundling, labelling and general packaging applications. Product performance depends on consistent adhesion, backing quality and conversion. The category benefits from demand across logistics, warehousing, retail, industrial and household applications.

Food Wraps

The food-wrap division addresses everyday food-storage and wrapping requirements through formats designed around convenience and hygiene. Product claims relating to food-contact safety, material composition and comparative environmental performance should be made only with reference to verified specifications and applicable regulatory standards.

Horticulture Bags

Horticulture bags are used in nurseries, plantations, agriculture and gardening applications. The products are designed to provide a lightweight and practical growing format and are offered in different sizes and specifications. Agriculture and horticulture remain relevant end-use opportunities as growers increasingly adopt organised cultivation and nursery practices.

PP Woven Sacks - Emerging Capability

During FY2025-26, the Company invested in PP woven sack looms as part of its strategy to broaden manufacturing capabilities. Woven sacks are widely used for packaging bulk commodities and industrial products. The addition gives Clara the potential to address applications in agriculture, fertilisers, cement and other sectors as production stabilises, utilisation improves and customer relationships are built.

MACHINERY AND MANUFACTURING STRENGTH

Clara Industries' manufacturing platform is built around polymer processing and conversion capabilities that support a diverse product portfolio. Based on the Company's prior-year disclosures, the manufacturing ecosystem includes multilayer and monolayer extrusion, rotogravure and flexographic printing, lamination, slitting, rewinding, cutting, sealing, stitching and recycling-related equipment. These capabilities allow the Company to undertake multiple stages of production within its manufacturing network.

An integrated manufacturing setup can provide several advantages: better coordination across production stages, closer quality control, faster response to customer requirements, improved production planning and the ability to customise formats. The value of this infrastructure, however, depends on disciplined utilisation and process control. FY2025-26 therefore placed particular emphasis on building capacity while preparing the organisation to extract greater efficiency from the expanded platform.

Extrusion and Film Manufacturing

Extrusion capability enables the Company to manufacture films in specifications suited to different applications. Process parameters such as thickness, blend, temperature control, winding and consistency influence downstream performance. Continued attention to machine condition, operator skill and quality checks is important to maintaining stable output and minimising waste.

Printing and Lamination

Printing and lamination convert base films into value-added packaging structures. Print registration, ink performance, bonding, curing and surface quality are important parameters. Clara's printing and lamination capabilities support customer-specific designs and packaging structures across multiple end-use categories.

Conversion and Finishing

Slitting, rewinding, pouch making, sealing, cutting and stitching are essential conversion stages that determine final dimensions, usability and presentation. Strong control at the finishing stage helps reduce rejection, improve turnaround time and ensure that final products conform to customer specifications.

Recycling and Material Recovery

In-house recycling-related capability supports recovery of suitable process waste and the Company's recycled-granules business. Material recovery can reduce avoidable waste and improve resource utilisation, subject to proper segregation and application controls. The growing emphasis on circularity in plastic packaging increases the strategic relevance of this capability.

PP Woven Sack Looms

The PP woven sack looms added during FY2025-26 represent an extension of Clara's manufacturing base into woven polymer structures. The operational priorities for the new capability are stabilisation, quality consistency, customer qualification, workforce proficiency and progressive improvement in utilisation. As scale develops, management expects the broader manufacturing base to provide additional opportunities for revenue growth and operating leverage.

BUSINESS STRATEGY AND INITIATIVES

Customer-centric Growth

The Company seeks to deepen customer relationships by understanding application requirements, maintaining responsiveness and delivering consistent quality. In packaging, long-term customer relationships are often built through reliability rather than one-time transactions. Clara therefore aims to strengthen repeat business while selectively developing new customer opportunities across its product portfolio.

Capacity Utilisation and Operating Leverage

Following investments in manufacturing capability, a key strategic priority is to improve asset utilisation. Higher utilisation can spread fixed manufacturing costs over a larger production base and improve operating leverage, provided product mix, pricing and working capital remain disciplined. Management's focus is therefore on converting installed capability into sustainable commercial output rather than pursuing capacity expansion as an end in itself.

Operational Efficiency

Operational efficiency involves material yield, machine uptime, conversion speed, manpower productivity, quality rejection, energy use and production scheduling. Improvements across these areas can enhance competitiveness without compromising product standards. Clara intends to continue strengthening process controls and using production data to identify recurring losses and improvement opportunities.

Working-capital Discipline

Growth in manufacturing can increase working-capital requirements through inventories, receivables and procurement. Responsible working-capital management is therefore integral to the Company's scale-up strategy. Customer credit discipline, inventory planning, supplier terms and cash-flow visibility remain important management priorities.

Responsible Capital Allocation

The Company's capital-allocation approach seeks to balance growth opportunities with financial resilience. Investment decisions are evaluated in the context of customer opportunity, utilisation potential, strategic fit and expected returns. The objective is to build capabilities that strengthen the operating platform while avoiding expansion that is disconnected from market demand.

Digital and Process Improvement

Digital tools can support planning, quality documentation, inventory visibility, maintenance and management reporting. The Company's priorities should remain practical and implementation-led: using technology where it improves process control, decision-making or customer service rather than adopting systems for their own sake.

OPERATIONAL PERFORMANCE - FY2025-26

FY2025-26 reflected a significant expansion in the scale of Clara Industries' operations. The Company recorded strong growth in revenue while continuing to invest in manufacturing capabilities and preparing the organisation for its next phase of scale. Operational priorities during the year included process discipline, quality consistency, manufacturing flexibility and efficient resource utilisation.

The year should be viewed in the context of an investment-led operating cycle. New capabilities can require time to reach optimal utilisation, while the associated fixed and operating costs may be reflected earlier in the income statement. This dynamic is visible in FY2025-26: top-line growth was strong, while profit before tax and profit after tax were lower than the previous year. Management's focus going forward is on translating the expanded operating base into stronger utilisation, operating leverage and sustainable profitability.

Key Operational Themes

- Expansion in the overall scale of operations.
- Continued focus on process discipline and quality consistency.
- Addition of PP woven sack manufacturing capability.
- Broader manufacturing platform capable of serving varied applications.

- Emphasis on better utilisation and resource productivity as capacity matures.
- Continued focus on working-capital discipline and prudent capital allocation.

FINANCIAL PERFORMANCE OVERVIEW

The Company delivered strong top-line growth in FY2025-26. Revenue from Operations increased to ₹1,400.27 lakh from ₹1,077.89 lakh in FY2024-25, representing growth of approximately 29.9%. Other income stood at ₹33.36 lakh compared with ₹25.89 lakh in the previous year. Total Income increased to ₹1,433.63 lakh from ₹1,103.78 lakh, also representing growth of approximately 29.9%.

Profit Before Tax was ₹240.61 lakh in FY2025-26 compared with ₹282.97 lakh in FY2024-25, a decline of approximately 15.0%. Profit After Tax stood at ₹180.05 lakh compared with ₹189.03 lakh, a decline of approximately 4.8%. Basic EPS was ₹0.74 and diluted EPS was ₹0.67 for FY2025-26, compared with basic and diluted EPS of ₹0.91 in FY2024-25.

Revenue and Scale

The increase in Revenue from Operations reflects a meaningful expansion in the Company's operating scale during FY2025-26. The year's top-line performance indicates stronger business activity across the manufacturing platform. The Company's strategic objective is to ensure that this larger revenue base is supported by disciplined customer selection, product quality and working-capital management.

Profitability

Profitability did not increase in proportion to revenue during FY2025-26. This should be read in the context of investments in manufacturing capabilities and the operating costs associated with building scale. As utilisation improves, the Company will seek to enhance operating leverage and convert a larger share of growth into sustainable earnings. Raw-material prices, competitive pricing, product mix, utilisation and fixed-cost absorption will remain important determinants of margin performance.

Earnings per Share

Basic EPS for FY2025-26 was ₹0.74, while diluted EPS was ₹0.67. The difference between basic and diluted EPS reflects the impact of potential dilution in accordance with the applicable accounting treatment. EPS should be read together with the Company's capital structure and the notes to the audited financial statements.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

Growth in Packaged Consumption

India's growing consumption of packaged foods, FMCG, personal-care products and household goods supports long-term demand for packaging. As organised retail and branded products penetrate a wider consumer base, packaging requirements become more sophisticated, creating opportunities for manufacturers capable of offering consistent films, printed structures and converted formats.

E-commerce and Quick Commerce

The continued expansion of e-commerce and quick commerce increases demand for packaging across primary, secondary and fulfilment applications. Lightweight materials, tapes, protective formats and efficient pack sizes become increasingly important as delivery networks handle larger product volumes and shorter delivery cycles.

Industrial and Agricultural Packaging

The addition of PP woven sack capability provides Clara with a potential route into a broader set of bulk and industrial packaging applications. Agriculture, fertilisers, cement and other industrial sectors use woven packaging extensively. Successful customer development and utilisation of the new capability can diversify the Company's opportunity set.

Sustainability and Recycling

EPR obligations and recycled-content requirements are increasing the strategic importance of material recovery and recycling. Clara's recycled-granules business can benefit from this direction, provided the Company maintains material consistency and aligns products with applicable regulatory and customer requirements.

Domestic Manufacturing and Export Potential

India's expanding manufacturing base creates packaging demand across multiple sectors. In addition, improvements in infrastructure and manufacturing competitiveness can support selective export opportunities for Indian suppliers. Clara may seek such opportunities where product fit, pricing, quality standards and payment terms provide an acceptable risk-return profile.

THREATS AND RISKS

Raw Material Price Volatility

Polymer prices can be influenced by crude oil, petrochemical cycles, currency movements, global demand and supply disruptions. Rapid increases in input costs may compress margins where price revisions to customers lag behind procurement costs. The Company seeks to mitigate this risk through procurement discipline, inventory management and commercial responsiveness, although the risk cannot be eliminated.

Competitive Intensity

The packaging industry includes large organised manufacturers, regional players and specialised converters. Competition can be intense, particularly in standardised products where pricing is transparent. Clara's response is centred on quality, customer responsiveness, manufacturing flexibility and a diversified product portfolio rather than price competition alone.

Regulatory and Compliance Risk

Environmental, plastic-waste, food-contact, labelling and other regulations continue to evolve. New requirements can affect product design, customer specifications, reporting obligations and cost structures. Compliance therefore requires ongoing monitoring and coordination across procurement, manufacturing, quality, sales and management functions.

Geopolitical, Trade and Currency Risk

Global events can influence polymer prices, freight rates, exchange rates and export demand. Trade-policy shifts can also affect imported equipment and customer supply chains. The Company seeks to retain flexibility in sourcing and market development, but remains exposed to broader macroeconomic conditions.

FUTURE OUTLOOK AND ROADMAP

Clara Industries enters the next phase with a broader manufacturing platform and a clear operating priority: convert capability into utilisation, efficiency and sustainable returns. FY2025-26 demonstrated that the Company can expand its top line materially; the next stage is to improve the quality of that growth through stronger operating leverage, disciplined execution and focused customer development.

Scaling the Existing Platform

The Company will continue to deepen its established businesses by improving throughput, product consistency and customer engagement. Existing machinery and skills represent a significant base from which incremental growth can be generated. Better utilisation can enhance asset productivity while reducing the need for repeated capital additions.

Improving Profit Conversion

After a year of strong revenue growth but softer PBT, management's focus is on improving the relationship between scale and profitability. This requires disciplined pricing, product-mix management, better fixed-cost absorption, process efficiency and working-capital control. The pace of improvement will also depend on input prices and market conditions.

Strengthening Responsible Manufacturing

Resource efficiency, waste control and recycling will remain important operating themes. The Company intends to improve material utilisation and support circularity where technically and commercially appropriate. Sustainability initiatives will be pursued in a manner that is measurable, compliant and aligned with actual operating capability.

Market Development

Clara will continue to explore opportunities across domestic markets and selected export customers. Market development will focus on areas where the Company's manufacturing platform offers a clear fit. Customer quality requirements, payment security, logistics and regulatory compliance will remain central to commercial decisions.

Outlook

The outlook for packaging in India remains supported by long-term growth in consumption, manufacturing, food processing, pharmaceuticals, agriculture, organised retail and digital commerce. At the same time, raw-material volatility, regulation and competitive intensity require disciplined execution. Clara's strategic priority is therefore not simply to grow larger, but to build a business that can scale with greater efficiency, resilience and consistency.

SUSTAINABILITY AND RESPONSIBLE MANUFACTURING

Sustainability in packaging is increasingly connected to material efficiency, waste reduction, recycling, product design and regulatory compliance. Clara Industries approaches sustainability as part of responsible manufacturing rather than as a separate promotional initiative. The Company's focus is on practical measures that can improve the way resources are used and waste is managed across operations.

Resource Efficiency

Efficient use of raw material is both an environmental and financial priority. Process control, yield improvement, accurate conversion and reduction of avoidable rejection can lower waste while supporting operating margins. The Company intends to continue strengthening manufacturing discipline and identifying opportunities to improve material productivity.

Recycling and Circularity

Clara's recycled-granules business and recycling-related capabilities support the recovery and productive reuse of suitable plastic material. This is increasingly relevant as EPR and recycled-content requirements shape the packaging industry. The Company will continue to evaluate how recycling capability can be integrated with customer requirements and regulatory obligations.

Product Responsibility

Product responsibility requires that packaging perform its intended function safely and consistently. Sustainability claims must therefore be balanced with technical realities. The Company's approach is to pursue lighter, recyclable or recycled-content solutions where appropriate without compromising required product performance, hygiene or regulatory compliance.

People and Workplace

Responsible manufacturing also depends on people, safe work practices and skill development. Employees and operators play a direct role in quality, maintenance, waste control and process stability. The Company seeks to maintain a respectful workplace and strengthen skills as manufacturing capabilities expand.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has internal control processes designed to support orderly and efficient operations, safeguard assets, maintain appropriate records, promote compliance and support the reliability of financial reporting. The control environment includes management review, authorisation processes, accounting controls, inventory and receivable monitoring, procurement controls and operating procedures relevant to manufacturing and quality.

Internal controls are expected to evolve as the scale and complexity of operations increase. The addition of new manufacturing capabilities heightens the importance of asset controls, production records, inventory discipline, preventive maintenance, quality documentation and working-capital monitoring. Management is responsible for reviewing control effectiveness and addressing identified gaps.

The scope and conclusions of internal audit, statutory audit and any other assurance reviews should be referred to for the formal assessment of control adequacy. The Audit Committee provides governance oversight in accordance with applicable requirements.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company's employees are central to the performance of a manufacturing business. Machine operation, maintenance, quality control, production planning, sales, finance and compliance all depend on skilled and accountable teams. As Clara's manufacturing platform expands, workforce capability and training become increasingly important to achieving consistent quality and utilisation.

The Company seeks to provide an environment that encourages responsibility, collaboration and continuous learning. Training needs arise from new machinery, production methods, safety requirements, quality standards and regulatory changes. Supervisory development and cross-functional coordination are also important as operations become more diversified.

Industrial relations during the year should be described based on management-confirmed records. The Company remains focused on maintaining constructive employee engagement and a workplace that supports productivity and respect.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, strategies or outlook may constitute forward-looking statements within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied due to economic conditions, market demand, raw-material prices, competition, regulatory changes, exchange-rate movements, interest rates, customer behaviour, technology, operating performance and other factors affecting the Company's business.

The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statement on the basis of subsequent developments, information or events, except as may be required under applicable law or regulation. Readers are advised to read this discussion together with the audited financial statements, notes, risk disclosures and other statutory sections of the Annual Report.

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, 2026, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended, and with Notes to the Financial Statements including a summary of the Material Accounting Policies and other explanatory information (hereinafter referred to as "Financial Statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2026, 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 Statements in accordance with the Standards on Auditing ("the SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the 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 (the "ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules 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.

KEY AUDIT MATTERS

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

Key Audit Matter	How the matter was addressed in our audit
Key Audit Matter – Valuation of Inventories, including Work-in-Progress The Company is engaged in the manufacturing of LDPE, HDPE, PP and BOPP based packaging products and adhesive tapes, and is a manufacturer and trader of plastic bags, industrial packaging self-adhesive tapes, printing and plain multilayered flexible packaging and PP plastic mats. Inventories, comprising raw materials and work-in-progress, are valued at the lower of cost and net realisable value, cost being determined on a FIFO basis, in accordance with the Company's accounting policy. As disclosed in Note 14 to the financial statements, inventories aggregate Rs. 1,714.39 Lakhs (Previous Year: Rs. 885.36 Lakhs) as at 31st March, 2026, comprising raw materials of Rs. 743.73 Lakhs and work-in-progress of Rs. 970.66 Lakhs, and represent about 41% of the Company's current assets. The value of inventories, particularly work-in-progress, has been arrived at and certified by the management, and involves judgement in determining quantities, stage of completion and cost allocation. Considering the significant increase in inventories during the year, particularly work-in-progress, the quantum of inventories relative to the Company's total assets, and the degree of management judgement and reliance on management's valuation and certification involved in determining their carrying value, this was determined to be a Key Audit Matter.	Our audit procedures in relation to the valuation of inventories, including work-in-progress, included, among others, the following: • Evaluated the Company's accounting policies for valuation of inventories and assessed their compliance with the requirements of AS 2. • Obtained an understanding of the process followed by management for determining quantities, stage of completion and cost of raw materials and work-in-progress at the year end. • Obtained management's valuation and certification of inventories and tested, on a sample basis, the cost of raw materials and work-in-progress with purchase invoices, consumption records and other supporting documentation. • Tested the mathematical accuracy of the inventory valuation and traced the closing balances of raw materials and work-in-progress to the books of account. • Performed analytical procedures to assess the reasonableness of the significant increase in work-in-progress as compared to the previous year, and obtained explanations from management in this regard. • Assessed, based on available market information and discussions with management, whether the net realisable value of inventories was lower than cost, and evaluated the need for any provision. • Evaluated the adequacy and appropriateness of the disclosures made in the financial statements in relation to inventories. • Based on the audit procedures performed, we found the Company's valuation of inventories, including work-in-progress, to be consistent with the requirements of AS 2 and the related disclosures to be appropriate.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors' Report including Annexures to Directors' Report, Management Discussion and Analysis Report and Report on Corporate Governance but does not include the Financial Statements and our Auditors' Report thereon.
Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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 misstate.

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

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these 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 (AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and designing, 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 alternatives but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

Materiality is the magnitude of misstatement in the Financial Statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider qualitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters, or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so, would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 A", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that;

1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. 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;
3. 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;
4. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards (AS) specified under Section 133 of the Act;
5. On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of directors, none of the directors are disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
6. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, as required under Section 143(3)(i) of the Act, refer to our separate report in "Annexure B".
7. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, the Company has complied with the provisions of Section 197 read with Schedule V to the Act, relating to managerial remuneration.
8. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

- According to the information and explanations given to us, the Company does not have any pending litigations having an impact on its financial position.
-
- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
-
- There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company;

- (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 to 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 to 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), (a) and (b) above, contain any material misstatement.

- (a) The company has not proposed, declared and paid any Dividend in the previous year during the year in accordance with Section 123 of the Act, as applicable.

  (b) The board of directors of the company has not proposed any final dividend for the current year.

- Based on our examination, including test checks, the company has used an accounting software with audit trail (edit log) feature for maintaining its books of account, which has been consistently operated throughout the year for all relevant transactions. During our audit, we did not find any instance of the audit trail feature being tampered with and the audit trail has been preserved by the company as per statutory requirements for record retention.

OTHER MATTERS

Certain comparative figures for the previous year have been regrouped and/or reclassified to conform to the presentation adopted in the current year. Such regrouping and reclassification do not affect the previously reported profit, equity or cash flows of the Company. Our opinion is not modified in respect of this matter.

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

Jay Shanker Gupta
Partner
Membership No: 059535
UDIN: 26059535ODYFRZ9564

Place : Kolkata
Date : May 30 , 2026

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

(Referred to in Paragraph-1 of Other Legal and Regulatory Requirements section of our Report of even date to the members of CLARA INDUSTRIES LIMITED on the Financial Statements for the year ended 31st March, 2026.)

(i) In respect of the Company's property, plant & equipment, right-of-use assets and intangible assets:

(a) A. The company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment and Rights-of-use Assets.

B. According to the information and explanations given to us and based on our examination of the records of the Company, the Company is maintaining proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the physical verification of property, plant and equipment is being carried out by the company in a phased manner to cover all its assets at reasonable intervals. In accordance with this programme, property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of immovable property are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.

(e) No proceedings have been initiated or are pending against the company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988(as amended in 2016) and Rules made thereunder.

(ii) (a) According to the information and explanations given to us, the inventories, comprising raw materials and work-in-progress, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its inventories. The discrepancies noticed on physical verification of inventories as compared to the book records, which have been properly dealt with in the books of account, were not material.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of ₹5.00 crore, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and based on the audit procedures performed, the Company does not have any subsidiary, associate or joint venture and has not made any investments in, provided any guarantee or security to, or granted any loans or advances in the nature of loans, whether secured or unsecured, to any companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

(v) The Company has not accepted any deposits from the public during the year within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014 (as amended). Accordingly, the provisions of the clause 3(v) of the Order are not applicable to the Company

(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.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' provident fund, employees' state insurance, income - tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to the company have generally been regularly deposited by it with appropriate authority.
There were no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues in arrears as at 31st March, 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there were no statutory dues referred to in sub-clause (a) which have been not deposited as on March 31, 2026 on account of dispute.

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

(ix) (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The company has not issued any debentures.

(b) According to the information and explanations given to us, the company has not been declared a wilful defaulter by any bank or financial institution or other lender during the year.

(c) According to the information and explanations given to us, the Company has not obtained any term loans during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been utilized for long term purposes.

(e) According to the information and explanations given to us and based on our examination of the financial statements of the company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

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

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has made preferential allotment/private placement of 50,00,000 equity shares of Rs. 10/- each aggregating Rs. 500.00 Lakhs on conversion of share warrants, and has received Rs. 1,250.00 Lakhs towards Preference Share Capital and Rs. 359.38 Lakhs towards fully convertible share warrants pending conversion as at the year end. According to the information and explanations given to us, the Company has complied with the requirements of Section 42 and Section 62 of the Companies Act, 2013, to the extent applicable, and the funds so raised have been used for the purposes for which they were raised.

(xi) (a) 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.

(b) No report under sub-Section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.

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

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

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

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

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(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.

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

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.

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

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There was no resignation of previous statutory auditor during the year, the reporting requirements under Clause (xviii) of Order is not applicable.

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

(xx) According to the information and explanations given to us, the provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility were not applicable to the Company during the year, and the CSR provision of Rs. 2.35 Lakhs outstanding as at the beginning of the year has been paid during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

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

Jay Shanker Gupta
Partner
Membership No: 059535
UDIN: 26059535ODYFRZ9564

Place : Kolkata
Date : May 30 , 2026

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure B referred to in paragraph 2(f) of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of CLARA INDUSTRIES LIMITED on the Financial Statements for the year ended 31st March, 2026.

Report on the Internal Financial Control with reference to the aforesaid Financial Statements under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("The Act").

We have audited the internal financial controls with reference to financial reporting of **CLARA INDUSTRIES LIMITED** ("the Company") as of 31st March, 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to 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 with reference to Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls With reference to Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 with reference to 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 with reference to financial reporting and their operating effectiveness. Our audit of internal financial controls with reference to financial reporting included obtaining an understanding of internal financial controls with reference to 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL REPORTING

A company's internal financial control with reference to 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 with reference to financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls with reference to financial reporting, including the possibility of collusion or improper management with reference to ride of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial reporting to future periods are subject to the risk that the internal financial control with reference to 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 with reference to financial reporting and such internal financial controls with reference to financial reporting were operating effectively as at 31st March 2026, based on the internal control with reference to 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 with reference to 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

Jay Shanker Gupta
Partner
Membership No: 059535
UDIN: 26059535ODYFRZ9564

Place : Kolkata
Date : May 30 , 2026

BALANCE SHEET AS ON 31ST MARCH, 2026

(Rs. In lakhs, unless otherwise stated)

Particulars	Note	As at 31st March, 2026	As at 31st March, 2025
EQUITY AND LIABILITIES			
Shareholders Funds:			
Share Capital	3	2,567.29	2,067.29
Reserves & Surplus	4	3,137.98	2,216.90
Money Received Against Share Warrants		359.38	-
		6,064.65	**4,284.19**
Non-Current Liabilities			
Long-Term Borrowings	5	13.83	9.60
Deferred Tax Liabilities (Net)	11	4.04	3.61
Long-Term Provisions	6	1.32	
		19.19	**13.20**
Current Liabilities			
Short-Term Borrowings	7	90.95	95.96
Trade Payables	8		
- Due to Micro and Small Enterprises		32.82	22.56
- Due to Other than Micro and Small Enterprises		-	-
Other Current Liabilities	9	9.00	10.24
Short-Term Provisions	10	60.21	69.83
		192.98	**198.60**
TOTAL		**6,276.81**	**4,495.99**
ASSETS			
Non-Current Assets			
Property, Plant & Equipment and Intangible Assets	12		
- Property, Plant & Equipment		871.00	725.46
Deferred Tax Assets (Net)	11	-	-
Long Term Loans and Advances	13	1,199.00	405.50
		2,070.00	**1,130.96**
Current Assets			
Inventories	14	1,714.39	885.36
Trade Receivables	15	1,038.39	764.69
Cash and Cash Equivalents	16	67.73	101.46
Short-Term Loans and Advances	17	27.23	54.85
Other Current Assets	18	1,359.08	1,558.68
		4,206.81	**3,365.04**
TOTAL		**6,276.81**	**4,495.99**

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 30 , 2026

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

Jay Shanker Gupta
Partner
Membership No: 059535
UDIN: 26059535ODYFRZ9564

Place : Kolkata
Date : May 30 , 2026

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs. In lakhs, unless otherwise stated)

Particulars	Note	For the year ended on 31st March, 2026	For the year ended on 31st March, 2025
Income :			
Revenue From Operations	19	1,400.27	1,077.89
Other Income	20	33.36	25.89
Total Income		**1,433.64**	**1,103.79**
Expenses :			
Cost Material Consumed	21	1,700.21	874.00
Changes in Inventories	22	(675.09)	(130.16)
Employee Benefits Expense	23	48.63	7.35
Finance Costs	24	10.30	17.17
Depreciation and Amortization Expense	12	64.73	25.34
Other Expenses	25	44.24	27.11
Total Expenses		**1,193.03**	**820.82**
Profit before exceptional and extraordinary items and tax		**240.61**	**282.97**
Exceptional items		-	-
Profit before extraordinary items and tax		**240.61**	**282.97**
Extraordinary Items		-	-
i) Current Tax		60.13	67.48
ii) Earlier years tax		-	22.72
iii) Deferred Tax		0.43	3.74
Profit / (Loss) for the period from continuing operations		**180.05**	**189.03**
Profit / (loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit / (Loss) from Discontinuing operations after tax		-	-
Profit / (Loss) for the period		**180.05**	**189.03**
Earnings Per Share (Rs.)	26		
Basic (Rs)		0.74	0.91
Diluted (Rs)		0.67	0.91
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 30 , 2026

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

Jay Shanker Gupta
Partner
Membership No: 059535
UDIN: 26059535ODYFRZ9564

Place : Kolkata
Date : May 30 , 2026

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

(Rs. In lakhs, unless otherwise stated)

	Particulars	For the year ended on 31st March, 2026	For the year ended on 31st March, 2025
A.	**CASH FLOW FROM OPERATING ACTUVITIES**		
	Net profit before tax	240.61	282.97
	Adjustment for		
	Add: Depreciation and amortisation	64.73	25.34
	Finance cost	10.30	17.17
	Gratuity provision	1.41	-
	Payment of CSR	(2.35)	-
		314.70	**325.48**
		314.70	325.48
	Operating profit before working capital changes	**314.70**	**325.48**
	Changes in working capital :		
	Adjustment for (increase)/decrease in operating assets :		
	Add : Inventories	(829.03)	(170.40)
	Trade receivables	(273.69)	59.75
	Other current assets	199.60	509.82
	Short term loans and advances	27.62	-
		(875.51)	**399.17**
	Adjustment for increase/(decrease) in operating liabilities :		
	Add : Trade payables	10.25	(9.90)
	Other current liabilities	(1.24)	(93.93)
	Short-term provisions	(7.35)	(97.20)
	Cash generated from Operations	**(559.15)**	**523.62**
	Less : Direct taxes paid	60.13	90.21
	Net cash from Operating Activities (A)	**(619.28)**	**433.41**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Long Term Loans and Advances	(793.50)	(405.50)
	Purchase of Property, Plant & Equipment	(210.27)	(63.66)
	Net cash/(used) in Investing Activities (B)	**(1,003.77)**	**(469.16)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Long Term Borrowing	4.24	-
	Short Trem Borrowings	(5.02)	(54.81)
	Proceeds from Preference Share Capital	1,250.00	-
	Proceeds from Share Warrant	359.38	-
	Share Issue Expenses	(8.97)	-
	Dividend paid	-	(20.67)
	Interest paid	(10.30)	(17.17)
	Net cash/(used) in Financing Activities ('C)	**1,589.32**	**(92.65)**
D.	**INCREASE/(DECREASE) INCASH AND CASH EQUIVALENTS**		
	(A+B+C)	(33.73)	(128.40)
	Cash and Cash Equivalents at the beginning of the year	101.46	229.85
	Cash and Cash Equivalents at the end of the year	67.73	101.46

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

(Rs. In lakhs, unless otherwise stated)

3. Cash & Cash Equivalents include:	For the year ended on 31st March, 2026	For the year ended on 31st March, 2025
- Cash In Hand	43.79	80.83
- With Scheduled Banks		
On Current Accounts	23.94	20.63
	67.73	101.46

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 30 , 2026

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

Jay Shanker Gupta
Partner
Membership No: 059535
UDIN: 26059535ODYFRZ9564

Place : Kolkata
Date : May 30 , 2026

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

(Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Note 3 - Share Capital		
a) Share Capital		
Authorised Share Capital		
35,00,00,000 equity shares of Rs.10/- each (Previous year 21,10,00,000 equity shares)	3,500.00	2,100.00
	3,500.00	2,100.00
Share Capital - Issued, Subscribed & Paid up		
2,56,72,900 equity shares of Rs.10/- each fully paid up (Last Year 2,06,72,900 equity sharesof Rs.10/- each fully paid up)	2,567.29	2,067.29
	2,567.29	**2,067.29**

b) Reconciliation of the shares

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No of shares	Amount in Lakhs	No of shares	Amount in Lakhs
Ordinary Equity Shares				
Equity shares at the beginning of the period	20,672,900	2,067.29	4,134,580	413.46
Add : Bonus Issue	-	-	16,538,320	1,653.83
Add : Fresh issue	5,000,000	500.00	-	-
Outstanding at the end of the period	25,672,900.00	2,567.29	20,672,900.00	2,067.29

Note:

a.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.

b.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.The company has issued 50,00,000 Equity shares to "non-promoter, public category" on preferential basis dated 16 july, 2025 at a price per share.

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 31.03.2026		As at 31.03.2025		% Change during the Year
Name of the Shareholders	No. of shares	% of Shares	No. of shares	% of Shares	
NIKHIL KUKREJA	3,002,050	11.69	3,002,050	14.52	(19.48)
PARRY KUKREJA	7,529,140	29.33	7,529,140	36.42	(19.48)
TOTAL	10,531,190	41.02	10,531,190	50.94	(19.48)

e) The details of shareholders holding more than 5% shares

Ordinary Equity Shares	As at 31.03.2026		As at 31.03.2025		% Change during the Year
Name of the Share Holders	No of shares	% of Shares	No of shares	% of Shares	
NIKHIL KUKREJA	3,002,050	11.69	3,002,050	14.52	(19.48)
PARRY KUKREJA	7,529,140	29.33	7,529,140	36.42	(19.48)

Note 4 - Reserves & Surplus (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Securities Premium		
As at beginning of the period	1,129.21	2,783.04
Add: Additions during the year	750.00	-
Less: Bonus Issued	-	1,653.83
	1,879.21	**1,129.21**
Profit & Loss Account		
As per last balance sheet	1,087.70	919.34
Add: Current Year's Profit / (Loss)	180.05	189.03
Less: Dividend payment	-	(20.67)
Add: Income Tax Adjutments	(8.72)	-
Less: Issue Expenses	(0.25)	-
	1,258.77	**1,087.70**
	3,137.98	**2,216.90**

Note 5 - Long Term Borrowings (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured		
From Other Parties	13.83	9.60
	13.83	**9.60**

Note 6 - Long - Term Provisions (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for Gratuity	1.32	-
	1.32	**-**

Note 7 - Short Term Borrowings (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured		
Loan from Bank of Baroda	90.95	95.96
	90.95	**95.96**

Note 8 - Trade Payables (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade Payables		
- Due to Micro and Small enterprises	32.82	22.56
- Due to Other than Micro and Small enterprises	-	-
	32.82	**22.56**

Note 9 - Other Current Liabilities (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Salary Payable		
EPF & EPFP Payable A/c	0.21	-
Audit Fees payable	1.00	1.15
Gratuity Payable	2.05	-
Advance from Debtors	4.77	8.93
Dividend payable	0.06	0.06
GST payable	0.50	-
TDS payable	0.42	0.11
	9.00	**10.24**

Note 10 - Short Term Provision (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Income Tax Payable	60.13	67.48
Provision for CSR expenses	(0.00)	2.35
Provision for Gratuity	0.08	-
	60.21	**69.83**

Note 11 - Deferred Tax (Asset)/Liability (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2026
Deferred Tax Asset	3.61	(0.13)
Add : Current Year Provision	0.43	3.74
	4.04	**3.61**

Note 12 - Depreciation & Amortisation Expenses Amount (Rs. in Lakhs.)

Particulars	For the year ended on 31st March, 2026	For the year ended on 31st March, 2025
Depreciation on Property, Plant & Equipment	64.73	25.34
	64.73	**25.34**

Note 13 - Long Term Loans & Advances (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Capital Advance- Advance for Property	1,199.00	405.50
	1,199.00	**405.50**

Note 14 - Inventories (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2026
Raw Material	743.73	589.78
Work in Progress	970.66	295.57
	1,714.39	**885.36**

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

Note 15 - Trade Receivable (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(Unsecured considered good as certified by the Management)		
Trade Receivables		
Debts outstanding for period less than six months	194.53	529.86
Debts outstanding for period exceeding six months	843.86	234.83
	1,038.39	**764.69**

(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)

15.1: Trade Receivable Ageing for the year ended March 31,2026

Particulars	Less than 6 Months	6 months-1 year	1-2 Year	2-3 Year	More than 3 Years
Undisputed Trade receivables – considered good	194.53	16.99	36.49	779.05	11.32
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-

15.1: Trade Receivable Ageing for the year ended March 31,2025

Particulars	Less than 6 Months	6 months-1 year	1-2 Year	2-3 Year	More than 3 Years
Undisputed Trade receivables – considered good	529.86	32.41	49.52	152.90	-
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-

Note 16 - Cash & Bank Balances (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash In Hand	43.79	80.83
Balances With Banks (Current A/c)		
AXIS BANK RIGHT ISSUE A/C	-	20.63
Bank of Baroda C/A	0.38	-
ICICI Bank	0.10	-
PNB	23.38	-
	67.73	**101.46**

Note 17 - Short Term Loans & advances (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(Unsecured considered good by the Management)		
Security Deposits	7.22	34.85
Advance given against Property Purchase	20.00	20.00
(Balances are subjected to ledger confirmations)		
	27.23	**54.85**

Note 18 - Other Current Assets (Amount Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Advance given to supplier	1,138.46	1,464.48
GST receivable	217.91	94.16
TDS & TCS Receivable	2.70	0.04
	1,359.08	**1,558.68**

Note 19 - Revenue from operations		Amount (Rs. in Lakhs.)
Particulars	**For the year ended on 31st March, 2026**	**For the year ended on 31st March, 2025**
Sale of Manufactured goods:		
Domestic Sales		
Packing Products	1,286.04	532.52
Plastic Mats	114.23	545.37
Total	**1,400.27**	**1,077.89**

Note 20 - Other Income		Amount (Rs. in Lakhs.)
Particulars	**For the year ended on 31st March, 2026**	**For the year ended on 31st March, 2025**
Discount Received	31.15	2.89
Consultancy Income	-	23.00
Interest Income	2.21	-
	33.36	**25.89**

Note 21 - Cost of Material Consumed		Amount (Rs. in Lakhs.)
Particulars	**For the year ended on 31st March, 2026**	**For the year ended on 31st March, 2025**
Opening Stock of Raw material	589.78	549.54
Add: Purchases during the year	1,767.58	842.36
	2,357.37	1,391.89
Add: Direct Expenses:		
Power	42.51	35.83
Freight	10.06	0.46
Job Work	0.08	0.23
Other Direct expenses	11.65	7.87
Labour charges	22.27	27.50
	2,443.94	1,463.78
Less: Closing Stock of Raw material	743.73	589.78
	1,700.21	**874.00**

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.

Note 22 - Change in Inventories		Amount (Rs. in Lakhs.)
Particulars	**For the year ended on 31st March, 2026**	**For the year ended on 31st March, 2025**
Opening Stock of WIP	295.57	165.42
Closing Stock of WIP	970.66	295.57
Change in Inventories	**(675.09)**	**(130.16)**

Note 23 - Employee Benefits Expense		Amount (Rs. in Lakhs.)
Particulars	**For the year ended on 31st March, 2026**	**For the year ended on 31st March, 2025**
Directors Remuneration	24.10	-
Salaries	19.45	4.38
Contribution to Fund	1.63	2.97
Gratuity	3.45	-
	48.63	**7.35**

Note 24 - Finance Costs		Amount (Rs. in Lakhs.)
Particulars	**For the year ended on 31st March, 2026**	**For the year ended on 31st March, 2025**
Interest on loan from Bank & Financial Institution	10.13	17.03
Bank Charges	0.17	0.15
	10.30	**17.17**

Note 25 - Other Expenses		Amount (Rs. in Lakhs.)
Particulars	**For the year ended on 31st March, 2026**	**For the year ended on 31st March, 2025**
Audit Fees	2.90	1.00
Advertisement	8.82	0.23
Commission For Fund Raise	1.00	-
Depository Charges	2.26	2.51
Insurance	0.20	0.43
Internet Expenses	0.55	0.18
Legal & Professional Charges	13.72	1.25
Frieght	0.15	-
Office Expenses	1.06	1.53
Travelling Expenses & Repairs charges	0.79	5.66
Software purchase	0.71	0.08
Directors' Sitting fees	-	0.10
Interest on GST	0.01	-
Demand and Penalties	0.05	-
Rounded off	(0.00)	-
RTA Charges & RTA Fees	-	0.51
ROC Filing Fees	10.54	7.50
Annual Custodian Fees	1.50	0.28
Bonus Issue Expenses	-	1.25
Govt Fees	-	4.61
	44.24	**27.11**

Note 25.1 - Details of Audit Fees:		Amount (Rs. in Lakhs.)
Particulars	**For the year ended on 31st March, 2026**	**For the year ended on 31st March, 2025**
Statutory & Tax Audit Fees	2.90	1.00
	2.90	**1.00**

Note 26 - Earnings Per Share (Rs.) Amount (Rs. in Lakhs.)

Particulars	For the year ended on 31st March, 2026	For the year ended on 31st March, 2025
Earnings Per Share (EPS)		
Net Profit after tax as per Statement of Profit & Loss attributable to Equity Sh	180.05	189.03
Weighted Average number of equity shares used as denominator for calculat	24,220,845	20,672,900
Weighted Average number of equity shares used as denominator for calculat	26,831,345	20,672,900
Basic Earnings Per Share (Weighted average)(In Rs.)	0.74	0.91
Diluted Earnings Per Share (Weighted average)(In Rs.)	0.67	0.91
Face Value per equity share (In Rs.)	10.00	10.00

Note: 27:- RELATED PARTIES TRANSACTIONS Amount (Rs. in Lakhs.)

PARTICULARS	For the year ended on 31st March, 2026	For the year ended 31st March, 2025
REVENUE ITEMS		
Remuneration to Directors & KMP	30.52	1.80
Sales made during the year	-	50.54
NON REVENUE ITEMS		
Loan availed	257.97	0.68
Loan paid/repaid	248.12	1.08
Total	**536.61**	**54.09**

Year Wise RPT transactions bifurcated amongst name of related parties

PARTICULARS	For the year ended on 31st March, 2026	For the year ended 31st March, 2025
Parry Kukreja - Director		
Opening Balance	0.03	0.43
Loan availed	241.20	0.68
Remuneration	12.00	-
Loan Repaid	241.40	1.08
Closing Balance	11.83	0.03
Nikhil Kukreja - Director		
Opening Balance	-	-
Loan availed	6.72	-
Remuneration	12.00	
Loan Repaid	16.77	-
Closing Balance	1.96	-
M/s. Chand Plastic Company (Prop. Rohit Kukreja) - Relative of director		
Opening Balance	36.42	12.39
Sales made	-	50.54
Payment received	3.00	26.50
Closing Balance	33.42	36.42
Diwan Chand Anil Kumar - Relative of director		
Opening Balance	24.63	
Sales made	-	-
Payment received	3.00	-
Closing Balance	21.63	-
Swami Enterprise - Relative of director		
Opening Balance	7.67	
Sales made	1.12	-
Payment	19.00	-
Purchase	11.33	-
Closing Balance	(1.12)	-
Clara Packing Solutions Limited - Enterprise where control exsist		
Opening Balance	458.54	
Sales made during the year	728.83	-
Amount Received	1,144.74	-
Closing Balance	42.64	458.54
M/s. Chand Plastic Corporation (Prop. Nikhil Kukreja) - Enterprise where control exsist		
Opening Balance	582.79	630.76
Purchase made during the year	-	47.97
Closing Balance	582.79	582.79
Remuneration		
Parry Kukreja (Managing Director)	12.00	-
Nikhil Kukreja (Director/ CFO)	12.00	-
Pooja (Company Secretary)	6.52	0.50
Nidhi Varun Kumar (Company Secretary)	-	1.30

Note: 28

Restated Statement of Accounting Ratio

Particulars		As at 31.03.2026	As at 31.03.2025	Reason for Variance (applicable where variance is more than 25%)
Current Assets	[A]	4,206.81	3,365.04	Current ratio increased by 28.66% due to decrease in Current Liabilities for the F.Y. 2025-2026.
Current Liabilities	[B]	192.98	198.60	
Current Ratio (in times)	**[A/B]**	**21.80**	**16.94**	
Debt	[A]	104.78	105.56	N.A
Equity	[B]	6,064.65	4,284.19	
Debt - Equity Ratio (in times)	**[A/B]**	**0.02**	**0.02**	
Earnings available for debt service	[A]	315.64	325.48	Debt-Service Coverage ratio increased by 61.63% due to decrease in Earnings available for debt service for the F.Y. 2025-2026
Debt Service	[B]	10.30	17.17	
Debt - Service Coverage Ratio (in times)	**[A/B]**	**30.63**	**18.95**	
Net Profit after Taxes	[A]	180.05	189.03	Return on equity ratio decreased by 32.71% due to increase in Shareholder's Equity and decrease in earnings during the F.Y. 2025-2026.
Shareholder's Equity	[B]	6,064.65	4,284.19	
Return on Equity Ratio (in %)	**[A/B]**	**2.97%**	**4.41%**	
Sales	[A]	1,400.27	1,077.89	Inventory turnover ratio decreased by 32.91% due to increase in inventory and increase in turnover during the F.Y. 2025-2026.
Inventory	[B]	1,714.39	885.36	
Inventory Turnover Ratio (in times)	**[A/B]**	**0.82**	**1.22**	
Net Sales	[A]	1,400.27	1,077.89	N.A
Trade Receivables	[B]	1,038.39	764.69	
Trade Receivables Turnover Ratio (in times)	**[A/B]**	**1.35**	**1.41**	
Net Purchase	[A]	1,767.58	842.36	Trade Payble ratio increased by 44.28% due to increase in Net Purchase during the F.Y. 2025-2026.
Trade Payables	[B]	32.82	22.56	
Trade Payables Turnover Ratio (in times)	**[A/B]**	**53.86**	**37.33**	
Net Sales	[A]	1,400.27	1,077.89	N.A
Current Assets		4,206.81	3,365.04	
Current Liabilities		192.98	198.60	
Working Capital	[B]	4,013.84	3,166.44	
Net Working Capital Turnover Ratio (in times)	**[A/B]**	**0.35**	**0.34**	
Net Profit	[A]	180.05	189.03	Net Profit ratio decreased by 26.68% due to decrease in Net profit during the F.Y. 2025-2026.
Net Sales	[B]	1,400.27	1,077.89	
Net Profit Ratio (in %)	**[A/B]**	**12.86%**	**17.54%**	
Earning Before Interest and Taxes	[A]	250.91	300.14	Return on capital employed ratio decreased by 40.95% due to increase in Capital Employed and decrease in EBIT during the F.Y. 2025-2026.
Capital Employed	[B]	6,078.48	4,293.79	
Return on Capital Employed (in %)	**[A/B]**	**4.13%**	**6.99%**	
Market Value at End of the year- Market Value at the Beginning of the year	[A]	11.68	(17.24)	Return on capital employe
Market Value at the Beginning of the year	[B]	19.03	36.27	
Return on Investment (in %)	**[A/B]**	**61.38%**	**-47.53%**	

NOTE 29.

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:

a) Crypto Currency or Virtual Currency

b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

c) 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 anyother 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 anyother 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 beneficiery) or
(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficieries

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 beneficiery) or
(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficieries

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

AS PER OUR REPORT OF EVEN DATE ATTACHED

For Clara Industries Limited		**For Jay Gupta and Associates**
Parry Kukreja	**Nikhil Kukreja**	**(Erstwhile Gupta Agarwal & Associates)**
Managing Director	**Director & CFO**	**Chartered Accountants**
DIN: 06649401	**DIN: 06649387**	**Firm's Registration No: 329001E**
Pooja		**Jay Shanker Gupta**
Company Secretary		**Partner**
Membership No:A36167		**Membership No: 059535**
		UDIN: 26059535ODYFRZ9564
Place : Saharanpur		**Place : Kolkata**
Date : May 30 , 2026		**Date : May 30 , 2026**

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
Total	**0.54**

(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.

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 30 , 2026

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

Jay Shanker Gupta
Partner
Membership No: 059535
UDIN: 26059535ODYFRZ9564

Place : Kolkata
Date : May 30 , 2026

Clara

INDUSTRIES LIMITED

PACKAGING
A BETTER TOMORROW

REGISTERED OFFICE

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Tehsil and District, Saharnpur-247001,
Uttar Pradesh, India

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