KONARK SYNTHETIC LIMITED

Reg. Off. Mittal Industrial Estate, Bldg. No 7, Ground Floor, Sakinaka, Andheri East, Mumbai 400059 Tel No. 022-40896300 Fax: 022-40896322 E mail: info@konarkgroup.co.in

CIN: L17200MH1984PLC033451

Date: 7th September 2023

To,
Department of Corporate Affairs,
BSE LIMITED,
P.J Towers, Dalal Street,
Mumbai – 400001

Scrip Code: 514128

Dear Sir,

Sub:- Notice of Annual General Meeting and Annual Report of the Company for the Financial Year ended 31st March, 2023.

Ref: Regulation 30 and 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of the Annual Report of the Company for the financial year ended 31st March, 2023 along with the Notice convening the 39th Annual General Meeting (AGM) to be held on Saturday, September 30, 2023 at 3.30.p.m. at the Registered office of the Company at Mittal Industrial Estate, Bldg No. 7, Ground Floor, Sakinaka, Andheri East, Mumbai 400059 to transact the Ordinary and Special business set out in the Notice dated 5th September 2023.

We request you to kindly take the same on record.

This may be taken as compliance under the Listing Regulations.

Thanking you,

Yours faithfully,

For Konark Synthetic Limited

SHONIT PRAKASHCHAND DALMIA

Digitally signed by SHONIT PRAKASHCHAND DALMIA
Date: 2023.09.07 12:45:33 +05'30'

Mr. Shonit Dalmia
Managing Director
DIN: 00059650

Encl: as above

39th ANNUAL REPORT 2022 -23

KONARK

Konark Synthetic Limited

BOARD OF DIRECTORS AND KMPs

Mr. Amitabh Kejriwal	Managing Director (resigned w.e.f 24.06.2022)
Mr. Satish Deshmukh	Independent Director (resigned w.e.f 28.06.2022)
Mr. Riyazuddin Khan	Non Executive Independent Director w.e.f 28.06.2022
Mr. Anshul Agrawal	Non Executive Non Independent Director w.e.f 28.06.2022
Ms. Suvriti Gupta	Women Independent Director (resigned w.e.f 18.07.2022)
Ms. Priyanka Jha	Non Executive Women Independent Director w.e.f 18.07.2022
Mr. Shonit Dalmia	Managing Director w.e.f 18.07.2022
Mr. R. B. Somany	Chief Financial Officer
Mr. Indrajit Kanase	Company Secretary & Compliance officer (resigned w.e.f 01.08.2023)

STATUTORY AUDITORS

M/s. Jhunjhunwala Jain & Associates LLP

Chartered Accountants, Mumbai (resigned w.e.f 14.08.2023)

M/s Bhuwania & Agrawal Associates

Chartered Accountants, Mumbai (w.e.f 15.08.2023)

SECRETARIAL AUDITORS

M/s. Amit Dharmani & Associates

Company Secretaries, Mumbai

INTERNAL AUDITORS

M/s. Kaushik Shahukar & Co.,

Chartered Accountants, Mumbai

BANKERS

Union Bank of India

REGISTERED OFFICE

Building No.7, Mittal Industrial Estate,

Andheri Kurla Road,

Andheri (East),Mumbai – 400059
Tel No.: 022-4089 6300
Fax No.: 022-4089 6322
Email: info@konarkgroup.co.in
Website: www.konarkgroup.co.in

REGISTRAR AND SHARE TRANSFER AGENT

Purva Sharegistry (India) Private Limited

9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,
Lower Parel (East), Mumbai – 400011
Tel No.: 022-23018261/6761
Fax No.: 022-23012517
Email: busicomp@vsnl.com

PLANT LOCATIONS

SILVASSA UNIT

Plot No. 25,
Silvassa Industrial Co-op. Soc.,

66 KVA Sub Station Road, Village

Amli, Dist.: Silvassa - 396230.

(UT of Dadra & Nagar Haveli)

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KONARK SYNTHETIC LIMITED

CIN: L17200MH1984PLC033451
Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400059. Tel: 022-4089 6300; Fax: 022-4089 6322; Email: info@konarkgroup.co.in;Website: www.konarkgroup.co.in

NOTICE

Notice is hereby given that the 39th Annual General Meeting of the members of KONARK SYNTHETIC LIMITED will be held on Saturday, 30th day of September, 2023 at 3.30 p.m. at the Registered Office of the Company at Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400059 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt (a) the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2023 together with the reports of the Directors' and Auditors' thereon; and (b) the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2023 together with the reports of Auditors' thereon and in this regard, if thought fit, pass the following resolution as an

ORDINARY RESOLUTION:

(a) "RESOLVED THAT the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2023 and the reports of the Board of Directors' and Auditors' thereon be and are hereby received, considered and adopted."

(b) "RESOLVED THAT the Consolidated Audited Financial Statements for the financial year ended 31st March, 2023 together with the Auditors' Report thereon be and are hereby received, considered and adopted."

2. To appoint a Director in place of Mr. Shonit Dalmia, Managing Director (DIN: 00059650), who retires by rotation and being eligible, offers himself for re- appointment.

SPECIAL BUSINESS:

3. Appointment of Statutory Auditors to Fill Casual Vacancy

To appoint statutory auditors and fix their remuneration and in this regard to pass with or without modification the following resolutions as **Ordinary Resolutions:**

"RESOLVED THAT, pursuant to the provision of Section 139(8) and Section 142 of the Companies Act, 2013, and other applicable provisions, read with the rules made thereunder, SEBI (Listing of Obligations and Disclosure) Requirements, Regulations, 2015, as amended from time to time, including any statutory modification(s) or re-enactment(s), thereof for the time being inforce M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai having FRN: 101483W and Peer Review Certificate No. 014197 issued by Peer Review Board of ICAI, be and is hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of Statutory Auditor M/s Jhunjhunwala Jain & Associates LLP (FRN: 113675W) (statutory auditors till 14th August, 2023), to hold the office from 15th August, 2023 until the conclusion of 39th Annual General Meeting of the Company, on such remuneration as may be mutually agreed by the Board of Directors of the Company and Statutory Auditors."

4. Appointment of Statutory Auditors for Five years

To appoint statutory auditors and fix their remuneration and in this regard to pass with or without modification the following resolutions as **Ordinary Resolutions:**

"RESOLVED THAT, pursuant to the provision of Section 139(2) and Section 142 of the Companies Act, 2013, and other applicable provisions, read with the Companies (Audit and Auditors) Rules, 2014 as amended, SEBI (Listing of Obligations and Disclosure) Requirements, Regulations, 2015, as amended from time to time, including any statutory modification(s) or re-enactment(s), thereof for the time being inforce, M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai having FRN: 101483W and Peer Review Certificate No. 014197 issued by Peer Review Board of ICAI, be and is hereby appointed as Statutory Auditors of the Company for a period of 5 years and who shall hold such office from the conclusion of 39th Annual General Meeting of the Company till the conclusion of 44th Annual General Meeting of the Company, on such remuneration as may be mutually agreed by the Board of Directors of the Company and Statutory Auditors."

Place: Mumbai
Date: 5th September, 2023

By Order of the Board of Directors
For Konark Synthetic Limited

Registered office:
Building No.7, Mittal Industrial Estate,
Andheri Kurla Road, Sakinaka,
Andheri (East), Mumbai – 400059

Mr. Shonit Dalmia
Managing Director
(DIN: 00059650)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, IN CASE OF POLL ONLY, ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID, SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBER(S) NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS PROVIDED THAT A MEMBER HOLDING MORE THAN TEN PERCENT, OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER. ACCORDINGLY, THE FACILITIES FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL BE AVAILABLE FOR THE AGM AND HENCE PROXY FORM AND ATTENDANCE SLIP ARE ANNEXED TO THIS NOTICE.**

2. Corporate Members are requested to send duly certified copy of the Board resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting (including through e-voting).

3. Members, Proxies and Authorised Representatives are requested to bring the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DPID and Client ID / Folio No.

4. 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.

5. The Company has engaged the services of Central Depositories Services Limited (CDSL) to provide e-voting facility for the AGM.

6. In terms of Section 152 of the Act, Mr. Shonit Dalmia (DIN: 00059650), Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment

7. Pursuant to Regulations 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard- 2 on “General Meetings” the particulars of Directors seeking appointment at the ensuing 39th Annual General Meeting is annexed to the notice.

8. The statement pursuant to section 102(1) of the Act (“Explanatory Statement”) relating to the Item No. 3 and 4 (special business) to be transacted at the meeting is annexed hereto.

9. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 24th September, 2023 to Saturday, 30th September, 2023 (both days inclusive).

10. The Register of Directors and Key Managerial Personnel and their Shareholdings maintained under Section 170 and Register of Contract or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013, and relevant documents referred to in the accompanying notice and statements are open for inspection at the Registered Office of the Company during the office hours on all working days, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting and will be open for inspection during the Annual General Meeting also.

11. Members desirous of obtaining any information about the accounts and operations of the Company are requested to address their queries at cs@konarkgroup.co.in at least seven days in advance of the meeting to enable the Company to provide the information required at the meeting.

12. Members having multiple folios in identical names or in joint names in the same order are requested to send the share certificate(s) to the Company’s Registrar & Share Transfer Agents, Purva Sharegistry (India) Pvt. Ltd for consolidation of all such shareholding into one folio to facilitate better services.

13. Members holding shares in physical form are requested to intimate any change in their address or bank mandates immediately to the Company’s Registrar & Share Transfer Agents (RTA), viz. Purva Sharegistry (India) Pvt. Ltd., 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011 quoting their Folio Number and Bank Account details along with self-attested documentary proof. Members holding shares in Demat form may update such details with their respective Depository Participants.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Purva Sharegistry (India) Private Limited (Company's Registrar and Share Transfer Agent / RTA) and complete their Know Your Client (“KYC”) formalities as mandated by law. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically

Non Resident Indian members are requested to inform to the Company's Registrar & Share Transfer Agents, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details are not furnished earlier.

15. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Registrar & Share Transfer Agents (RTA), viz. Purva Sharegistry (India) Pvt. Ltd in this regard.

16. In terms of relaxations granted by SEBI vide Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, sending hard copy of the Annual Report for the financial year 2022-23 to shareholders who have not registered their email ids with the Company/RTA/Depository has been dispensed with. Therefore, Annual Report 2022-23 including Notice shall be sent by email to those shareholders whose email ids are registered with the Company/RTA/Depository. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website at https://konarkgroup.co.in/annual-reports/, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com, and on the website of CDSL at www.evotingindia.com. Members who have not registered their email address with the Company can register the same by following the procedure as mentioned below in point no. 22. Company shall send hard copy of the Annual Report 2022-23 to the members who request for the same in writing.

17. As per provisions of Section 72 of the Companies Act 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in single name and physical form are advised to make nomination in the prescribed form SH-13 with RTA and in respect of shares held in demat form, the nomination form may be filed with their respective DPs.

18. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrar and Share Transfer Agent, Link Intime for assistance in this regard.

    Further, the SEBI has vide its circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 and has introduced common and simplified norms for processing investor's service request by the Registrar and Share Transfer Agents. Accordingly, all holders of physical securities of the Company are requested to mandatorily furnish/ update the following documents / details with the RTA i.e. Purva Sharegistry (India) Private Limited as soon as possible, failing which all the incomplete folios of such shareholders shall be frozen:

    - PAN
    - Nomination
    - Contact Details including Postal address with PIN code, Mobile Number, E-mail address
    - Bank Account details including Bank name and branch, Bank account number, IFS code
    - Specimen Signature

    Members are hereby requested to visit website of the Company www.konarkgroup.co.in to download the necessary forms for updation of their details in the records of the Company and the RTA.

19. The Notice of the 39th Annual General Meeting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email address are registered with the Company/Depository Participants.

20. Route Map for the venue of the 39th Annual General Meeting of the Company is appearing at the end of the Annual Report.

21. Information and other instruction relating to e-voting process

    (a) Pursuant to provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 39th Annual General Meeting to be held on Saturday, 30th September, 2023. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.

    (b) The facility for voting through polling papers shall also be made available at the venue of the 39th Annual General Meeting. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend and participate at the meeting, but shall not be entitled to cast their vote again.

    (c) The remote e-voting shall commence on Wednesday, 27th September, 2023 (9.00 A.M.) and ends on Friday, 29th September, 2023 (5.00 P.M.) During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Saturday, 23rd September, 2023, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

    (d) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Saturday, 23rd September, 2023.

    (e) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Saturday, 23rd September, 2023 only shall be entitled to avail the facility of remote e-voting and voting at Meeting through polling papers.

(f) The Board of Directors of the Company has appointed CS Ketan. R. Shirwadkar, Company Secretary having Mem No. A37829 and COP No. 15386, proprietor KRS AND CO.., Company Secretaries, Thane, as scrutinizer to conduct and scrutinize the voting through polling papers and remote e-voting in a fair and transparent manner.

(g) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Saturday, 23rd September, 2023, may obtain the User ID and password by sending a request at helpdesk.evoting@cdslindia.com or cs@konarkgroup.co.in . However, if the member is already registered with CDSL for remote e- voting then he can use his exiting user ID and password for casting the vote through e-voting. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evotingindia.com or contact CDSL at the following toll free no.: 1800-200-5533.

(h) The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be done, allow voting with the assistance of scrutinizer, by use of "Polling Papers" to all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

(i) The Scrutinizer after conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting.

(j) Thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 2 working days of conclusion of the Annual General Meeting, issue a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the same to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

(k) The result declared along with the Consolidated Scrutinizer's Report shall be placed on the website of the Company https://konarkgroup.co.in/e-voting/ and on the website of the CDSL https://www.evotingindia.com/ immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited.

(l) Subject to receipt of requisite number of votes in favour, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting i.e. Saturday, 30th September, 2023.

A) Procedure/ Instructions for e-voting are as under:

In case a Member receives an email from CDSL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

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

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

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

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

Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method	
Individual Shareholders holding securities in Demat mode with CDSL	1)	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.
	2)	After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
	3)	If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4)	Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
	1)	If you are already registered for NSDLIDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with NSDL	2)	If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3)	Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

(v) Login method for e-Voting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

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

For Shareholders holding shares in Demat Form other than individual and Physical Form

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

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

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

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

(viii) Click on the EVSN for the **"Konark Synthetic Limited**" on which you choose to vote.

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

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

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

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

(xiii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xiv) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

22. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOROBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

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

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

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

In pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 "General Meetings", details of directors seeking appointment/re-appointment at ensuing Annual General Meeting are as follows:

Name of Director	Mr.Shonit Dalmia
Director Identification No. (DIN)	00059650
Date of birth	30/03/1984
Date of First appointment on theBoard	14/08/2021
Qualification	He is a Commerce Graduate and has a masterdegree from UK.
Experience/Expertise in specificfunctional area/Brief Resume	He has over 15 years of experience in BusinessManagement.
Shareholding in the Company (Equityshares of Rs. 10/- each)	11,26,752 Shares
List of Directorship in other Listedentities	NIL
Membership/Chairmanship ofCommittees of other listed entities (includes only Audit Committee and Stakeholder's RelationshipCommittee)	NIL
Details of Listed Entities from which the person has retired in past three years	NIL

No. of Board Meetings attendedduring the Financial year 2022-23	9
Terms and Conditions of appointment/ re-appointment	Not Applicable
Remuneration to be paid (ifapplicable)	Not Applicable
Relationship with any Director (s) ofthe Company	Not Related

Place: Mumbai
Date: 5th September, 2023

By Order of the Board of Directors
For Konark Synthetic Limited

Registered office:
Building No.7, Mittal Industrial Estate,
Andheri Kurla Road, Sakinaka,
Andheri (East), Mumbai – 400059

Mr. Shonit Dalmia
Managing Director
(DIN: 00059650)

ANNEXURE TO NOTICE – EXPLANATORY STATEMENT

As required under Section 102(1) of the Companies Act, 2013, read with Regulation 36(5) of SEBI (Listing Obligations and Disclosure) Requirements) Regulations, 2015 the following statement sets out all the material facts relating to the special business mentioned in the accompanying Notice. Explanation to Special business set out under Item No. 3 and 4.

Item No. 3 – To fill Casual Vacancy

The Members at the 37th Annual General Meeting of the Company held on 30th September, 2021, appointed M/s Jhunjhunwala Jain & Associates LLP, Chartered Accountants, Mumbai (FRN: 113675W), as Statutory Auditors of the Company for a period of 5 (five) years and who shall hold such office from the conclusion of 37th Annual General Meeting till the Conclusion of 42nd Annual General Meeting to be held for the financial year 2025-26. M/s Jhunjhunwala Jain & Associates LLP, Chartered Accountants and Statutory Auditors of the Company have tendered their resignation lw.e.f 14th August, 2023 for non-acceptance of their request by the Audit Committee and the Board for increase in remuneration for carrying out audit services from the financial year 2023-24 onwards. The resignation letter will be placed before the AGM for the inspection of the Members. M/s Jhunjhunwala Jain & Associates LLP have issued the Audit Report for the Financial Year 2022-23 and the Limited Review Report for the first quarter ended 30th June, 2023 before tending their resignation as Statutory Auditors. This has resulted in a casual vacancy in the office of Statutory Auditor of the Company. Pursuant to the provisions of Section 139(8) of the Companies Act, 2023 read with the Companies (Audit and Auditors) Rules, 2014, as amended, in case of casual vacancy arising of resignation, such resulting vacancy shall be filled by the Board within 30 days from resignation of Statutory Auditors and such appointment shall also be approved by the Company at a general meeting duly convened within 3 (three) months of the recommendation of the Board.

Accordingly, the Board of Directors of the Company at their meeting held on 5th September, 2023,on the recommendation of Aduit Commitee approved and recommended the appointment of M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai having FRN: 101483W and Peer Review Certificate No. 014197 issued by Peer Review Board of ICAI , as Statutory Auditors to fill the casual vacancy caused by the resignation of M/s Jhunjhunwala Jain & Associates LLP. Statutory Auditors who shall hold such office from 15th August, 2023 till the conclusion of 39th Annual General Meeting of the Company. M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai, have given their consent and eligibility to this effect.

None of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 3 of this Notice, except to the extent of their respective shareholding, if any, in the Company.

Item No.4 - Appointment of Statutory Auditors for Five Years

The term of M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai having FRN: 101483W and Peer Review Certificate No. 014197 Issued by Peer Review Board of ICAI as Statutory Auditors to fill the casual vacancy caused by the resignation of M/s Jhunjhunwala Jain & Associates LLP. Statutory Auditors expires at the conclusion of 39th Annual General Meeting and being eligible have given their consent and eligibility for appointment as Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of 39th Annual General Meeting.

Subject to the approval of members it is now proposed to appoint M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai having FRN: 101483W and Peer Review Certificate No.014197 issued by Peer Review Board of ICAI as Statutory Auditors for a period of 5 (five) years from the conclusion of 39th Annual General Meeting till the conclusion of 44th Annual General Meeting.

Credentials.

M/s. Bhuwania & Agrawal Associates, is a firm of Chartered Accounts having vast experience in Chartered audit, tax audit and consultancy, accounting services, The Firm is professionally managed firm and consists of distinguished Chartered Accountants, Corporate Financial Advisors and Tax Consultants. It has a valid peer review certificate does audit of various listed and unlisted companies

M/s.Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai having FRN: 101483W have furnished a declaration to the Company that they are eligible to be re-appointed as Statutory Auditors of the Company in accordance with the provisions of Section 139, 141 and 142 of the Companies Act, 2013.

The terms and conditions of appointment of M/s.Bhuwania & Agrawal Associate, Chartered Accountants as the Statutory Auditors of the Company and the proposed fees are as follows:

a. Term of appointment:

For a period of 5 (Five) consecutive years from the conclusion of 39th AGM to be held on 30th September, 2023 till the conclusion of the 44th AGM of the Company to be held in the year 2028.

b. Proposed Fees payable to the Statutory Auditors:

The fees proposed to be paid to M/s. Bhuwania & Agrawal Associates towards statutory Audit for the financial year 2023-24 shall not exceed Rs. 2 Lakhs per annum, plus out of pocket expenses, with the authority to the board to make revisions as it may deem fit for the balance term, based on the recommendation of the Audit Committee.

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The fees for services in the nature of statutory certifications and other permissible professional work will be in addition to the fees mentioned above and will be determined by the Board of Directors of the Company in consultation with the said Statutory Auditors and as per the recommendations of the Audit Committee. The proposed fees payable to the Statutory Auditors are based on knowledge, expertise, experience, time and effort required to be put in by them.

c. **Material Change in the proposed fee:**

M/s. Jhunjhunwala Jain & Associates LLP, outgoing auditors who resigned w.e.f 14th August, 2023 were paid a fees not exceeding Rs. 3 Lakhs per annum for Audit Services. The reason for their resignation being that the Audit Committee and the Board declined their request to increase the professional fees for Audit services from the financial year 2023-24 onwards, due to poor performance and losses suffered by the Company. In view of above, the fees proposed to be paid to M/s. Bhuwania & Agrawal Associates towards statutory Audit for the financial year 2023-24 shall not exceed Rs. 2 Lakhs per annum, plus out of pocket expenses which is a material change from what was paid to the out going auditor.

d. Basis for recommendation for appointment:

M/s Bhuwania & Agrawal Associates, were previously associated with the Company till the Financial Year 2016-17. They completed their tenure pursuant to Section 139(2) of the Companies Act as the Statutory Auditors of the Company at the conclusion of 33rd Annual General Meeting of the Company held on 29th September, 2017 and subject to the proviso of Section 139(2) of the companies Act, 2013, were not eligible for re-appointment for a period of five consecutive years. M/s Bhuwania & Agrawal Associates, have completed their cooling off period of 5 consecutive years and are eligible for appointment as Statutory Auditors of the Company. Considering their vast experience and association with the Company and based on the evaluation of the quality of the audit work, the Board of Directors of the Company based on the recommendation of the Audit Committee, unanimously recommends the Ordinary Resolution as set out in Item No.4 of this Notice for the approval of the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 4 of this Notice, except to the extent of their respective shareholding, if any, in the Company

Place: Mumbai
Date: 5th September, 2023

By Order of the Board of Directors
For Konark Synthetic Limited

Registered office:
Building No.7, Mittal Industrial Estate,
Andheri Kurla Road, Sakinaka,
Andheri (East), Mumbai – 400059

Mr. Shonit Dalmia
Managing Director
(DIN: 00059650)

DIRECTORS' REPORT

To
The Members
Konark Synthetic Limited

Your Directors present the 39th Annual Report together with the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended on 31st March 2023.

FINANCIAL HIGHLIGHTS:

(Rs. in Lakhs)

Sr. No.	Particulars	Standalone		Consolidated	
		For the Year ended 31st March,2023	For the Year ended 31st March,2022	For the Year ended 31st March,2023	For the Year ended 31st March,2022
1.	Total Revenue	4839.65	4269.06	4842.56	4269.06
2.	Total Expenses	4832.11	4198.25	5156.75	4547.48
3.	Profit before Depreciation & Amortization expenses, Finance Cost and Tax	449.08	467.78		346.19
	Less: Depreciation and Amortization Expenses	103.78	125.87	331.43	353.51
	Less: Finance Cost	337.76	271.10	337.76	271.10
4.	Profit before exceptional / extraordinary items and tax	7.54	70.81	(314.20)	(278.42)
5.	Share in Profit/(Loss) in Equity Accounted Investments (Net of Tax)	-	-	(30.04)	2.75
	Less: Exceptional Item/ extraordinary items	(804.99)	(119.62)	(804.99)	(119.62)
6.	Profit before tax	(797.45)	(48.82)	(1149.22)	(395.28)
	Less: Provision for tax (Including deferred tax)	75.66	(4.07)	75.66	(4.07)
7.	Profit after tax	(873.11)	(44.74)	(1224.88)	(391.21)
8.	Less: Minority Interest	-	-	-	-
	Profit/Loss for the period after Minority Interest	(873.11)	(44.74)	(1224.88)	(391.21)

REVIEW OF BUSINESS OPERATIONS:

During the year under review your company earned a revenue from operations of Rs. 4736.37 lakhs as compared to Rs. 4009.76 Lakhs in the previous financial year. The company suffered a loss after tax of Rs. (873.11) Lakhs as Compared to a loss of Rs. (44.74) lakhs in the previous financial year

SHARE CAPITAL:

There was no change in Share Capital of the Company during the year 2022 - 23. As on 31st March, 2023, the paid up share capital of the Company stood at Rs.5,80,80,000/-(Rupees Five Crores Eighty Lakhs and Eighty Thousand Only) divided into 58,08,000 Equity shares of Rs. 10/ - (Rupee Ten Only) each.

DIVIDEND:

To conserve the resources for future business requirements of the Company, your Directors do not recommend any payment of dividend for the year under review.

RESERVES:

During the year the Company has not transferred any amount to General Reserves.

PUPLIC DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN:

The Annual Return as referred in Section 134(3)(a) read with Section 92 (3) of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 the Annual Return in e-form MGT-7 for the financial year ended March 31, 2023 is placed on the website of the Company at https://konarkgroup.co.in/annual-return/.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and the Articles of Association of the Company, Mr. Shonit Dalmia, Managing Director of the Company retires by rotation at the ensuing AnnualGeneral Meeting and being eligible, has offered himself for re-appointment and your Board recommends his re-appointment.

The Following changes took place in the composition of the Board and Key Managerial Personnel:

Mr. Shonit Dalmia (DIN: 00059650) resigned from the office of Non-Executive Director w.e.f 18th July 2022. Further Mr. Shonit Dalmia was appointed as Additional Director designated as Managing Director w.e.f. 18th July, 2022 subject to approval of shareholders at 38th Annual General Meeting. At the 38th Annual General Meeting held on Thursday 28th September, 2022, the members of the Company approved the Appointment of Mr. Shonit Dalmia as Managing Director w.e.f 18th July, 2022 for a period of 3 years.

Mr. Amitabh Kejriwal (DIN: 00005864) Managing Director of the Company resigned from the office w.e.f 24th June, 2022

Mr. Satish Deshmukh (DIN: 03535235) Independent Director of the Company resigned from the office w.e.f 28th June, 2022

Ms. Suvriti Gupta (DIN: 07766090) Independent Women Director of the Company resigned from the office w.e.f 18th July, 2022

Mr. Anshul Agrawal (DIN: 02060092) was appointed as Additional Non -Executive Director w.e.f 28th June, 2022 subject to the approval of shareholders at this Annual General Meeting. At the 38th Annual General Meeting held on Thursday 28th September, 2022, the members of the Company approved the Appointment of Mr. Anshul Agrawal (DIN: 02060092) as Non Executive Non Independent Director w.e.f 28th June, 2022.

Mr. Riyazuddin Khan (DIN: 09448909) was appointed as Additional Non -Executive Independent Director w.e.f 28th June, 2022 subject to the approval of shareholders at this Annual General Meeting. At the 38th Annual General Meeting held on Thursday 28th September, 2022, the members of the Company approved the Appointment of Mr. Riyazuddin Khan (DIN: 09448909) as Non-Executive Independent Director w.e.f 28th June, 2022 for a period of 5 years.

Ms. Priyanka Jha (DIN: 09671850) was appointed as Additional Non -Executive Independent Women Director w.e.f 18th July, 2022 subject to the approval of shareholders at this Annual General Meeting. At the 38th Annual General Meeting held on Thursday 28th September, 2022, the members of the Company approved the Appointment of Ms. Priyanka Jha (DIN: 09671850)) as Non-Executive Independent Director w.e.f 18th July, 2022 for a period of 5 years.

.Mr. Indrajit Kanase (Membership No.A51146) was appointed as Company Secretary and Compliance Officer w.e.f 1st April, 2022 who resigned from the office of Company Secretary and Compliance Officer w.e.f 1st August, 2023

DECLARATION OF INDEPENDENT DIRECTORS:

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Ministry of Corporate affairs (MCA) vide notification no. G. S. R. 804(E) dated 22nd October, 2019 and effective from 1st December, 2019 has introduced the provision relating to inclusion of name of Independent Directors in the data bank maintained by Indian Institute of Corporate Affairs (IICA). All Independent Director of the Company are registered with IICA.

In the opinion of the Board, the Independent Directors hold highest standard of Integrity and possess the requisite qualification, experience, expertise and proficiency.

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met once during the year on 14th February, 2023, to review the working of the Company, its Board and Committees.

The meeting decided on the process of evaluation of the Board and Audit Committee. It designed the questionnaire on limited parameters and completed the evaluation of the Board by Non-Executive Directors and of the Audit committee by other members of the Board. The same was compiled by Independent authority and informed to the members.

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

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and also remuneration for Key Managerial Personnel and other employees is attached herewith and marked as 'Annexure I'.

ANNUAL PERFORMANCE EVALUATION BY THE BOARD:

Pursuant to the provisions of the Section 134(3) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders' Relationship Committees. The Board has devised questionnaire to evaluate the performances of each of executive and non-executive and Independent Directors. Such questions are prepared considering the business of the Company and the expectations that the Board have from each of the directors. The evaluation framework for assessing the performance of Directors comprises of the following key areas:

i. Attendance at Board Meetings and Board Committee Meetings;

ii. Quality of contribution to Board deliberations;

iii. Strategic perspectives or inputs regarding future growth of Company and its performance;

iv. Providing perspectives and feedback going beyond information provided by the management.

The details of the programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: http://www.konarkgroup.co.in/investor_relation/policies/Familiarisation_programme__for_Independent Directors.

MEETINGS OF THE BOARD:

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. A tentative annual calendar of the Board and Committee Meetings is informed to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The Board met Nine times during the financial year, the details of which are as under:

1. 01.04.2022
2. 30.05.2022
3. 28.06.2022
4. 18.07.2022
5. 13.08.2022
6. 14.09.2022
7. 14.11.2022
8. 14.02.2023
9. 04.03.2023

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors, to the best of their knowledge and belief and according to the information and explanation obtained by them and as required under Section 134(3)(c) of the Companies Act, 2013, state that:

a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as at 31st March, 2023 and of the loss of the company for that period;

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

d. the directors have prepared the annual accounts on a going concern basis;

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

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

PARTICULARS OF MANEGERIAL REMUNERATION AND OTHER DETAILS:

Disclosure with respect to the remuneration of Directors and employees as required under Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith and marked as '**Annexurell'.**

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS:

As on 31st March 2023, the Company has one subsidiary company i.e. India Denim Limited and one Associate Company i.e Konark Infratech Private Limited. During the year, the Board of Directors reviewed the affairs of the subsidiary Company. As per Section 129(3) of Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company, along with India Denim Limited (Subsidiary) and Konark Infratech Private Limited (associate company), which form part of the Annual Report. Further, a statement containing the salient features of the financial statements of the subsidiary in the prescribed format AOC-1 is attached herewith and marked as **'Annexure III'**. The statement also provides the details of performance and financial position of the subsidiary and associate.

In accordance with the provision of Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of its subsidiary, are available on our websit https://konarkgroup.co.in/subsidiaries/. These documents will also be available for inspection at the registered office of the Company and of the subsidiary company during business hours on all working days and during the Annual General Meeting.

The Company has one associate company namely Konark Infratech Private Limited by virtue of its holding of more than 20% of the respective equity share capital of this company.

COMMITTEES OF THE BOARD

During the year, in accordance with the Companies Act, 2013, the Board re-constituted some of its Committees. There are currently three Committees of the Board, as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

The Details of Number of Meetings held and composition of Committee is as under:

- Audit Committee

The Audit Committee met six times during the year under review as under

1. 30.05.2022
2. 28.06.2022
3. 18.07.2022
4. 13.08.2022
5. 14.11.2022
6. 14.02.2023

The Composition of Audit Committee is as under:

Sr No.	Name of the Member	Designation
1.	Mr. Satish Deshmukh (Upto 28 June, 2022)	Chairman and Non-Executive Independent Director
2.	Mr. Riyazuddin Khan (w.e.f 28th June 2022	Chairman and Non-Executive Independent Director
3.	Ms. Suvriti Gupta (upto 18th July, 2022)	Member & Non-Executive Independent Women Director
4.	Ms. Priyanka Jha (w.e.f 18th July, 2022)	Member & Non-Executive Independent Women

		Director
5.	Mr. Shonit Dalmia (upto 18th July, 2022)	Member and Non-Executive Director
6.	Mr. Anshul Agrawal (w.e.f 28th June, 2022)	Member and Non-Executive Director

- Nomination and Remuneration Committee

The Nomination and Remuneration Committee met four times during the year under review as under

1. 01.04.2022
2. 28.06.2022
3. 18.07.2022
4. 14.02.2023

The Composition of Nomination and Remuneration Committee is as under:

Sr No.	Name of the Member	Designation
1.	Mr. Satish Deshmukh (Upto 28 June, 2022)	Chairman and Non-Executive Independent Director
2.	Mr. Riyazuddin Khan (w.e.f 28th June 2022	Chairman and Non-Executive Independent Director
3.	Ms. Suvriti Gupta (upto 18th July, 2022)	Member & Non-Executive Independent Women Director
4.	Ms. Priyanka Jha (w.e.f 18th July, 2022)	Member & Non-Executive Independent Women Director
5.	Mr. Shonit Dalmia (upto 18th July, 2022)	Member and Non-Executive Director
6.	Mr. Anshul Agrawal (w.e.f 28th June, 2022)	Member and Non-Executive Director

- Stakeholders' Relationship Committee

The Stakeholder Relationship Committee met Six times during the year under review as under

1. 30.05.2022
2. 28.06.2022
3. 18.07.2022
4. 13.08.2022
5. 14.11.2022
6. 14.02.2023

The Composition of Stakeholder Relationship Committee is as under:

Sr No.	Name of the Member	Designation
1.	Ms. Suvriti Gupta (upto 18th July, 2022)	Chairman & Non-Executive Independent Women Director
2.	Ms. Priyanka Jha (w.e.f 18th July, 2022)	Chairman & Non-Executive Independent Women Director
3.	Mr. Shonit Dalmia	Member and Executive Director
4.	Mr. Anshul Agrawal (w.e.f 28th June, 2022)	Member and Non-Executive Director
5.	Mr. Amitabh Kejriwal (upto 24th June, 2022)	Member and Non-Executive Director

.**RISKS AND AREAS OF CONCERN:**

The Company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-

business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework. All major properties of the Company are insured.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT 2013:

All transactions with the related parties entered during the year are ongoing and on arm's length basis. No Material Related Party Transaction was entered during the year by your Company as per Section 188 of the Companies Act, 2013. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act, 2013 in Form AOC-2 is not applicable.

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

The details as required under Section 186 of the Companies Act, 2013 of loans and guarantee made by your Company during the financial year 2022-23 are given under Notes to Accounts on financial statements. The Company has not made any investments during the year.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There was no significant or material order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have bearing on Company's operations in future.

INTERNAL FINANCIAL CONTROL WITH REFRENCE TO THE FINANCIAL STATEMENTS:

The Company has Internal Financial Control System commensurate with the size, scale and complexity of its operations. The Company monitors and evaluates the efficacy and adequacy of internal control system in place, its compliance with operating systems, accounting procedures and policies.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

WHISTLE BLOWER/VIGIL MECHANISM POLICY:

The Company has a Vigil Mechanism / Whistle Blower Policy on our website www.konarkgroup.co.in. to deal with instance of fraud and

mismanagement, if any. The mechanism also provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases. The details of the Vigil mechanism Policy is posted on the website of the Company at https://konarkgroup.co.in/wp-content/uploads/2016/04/Vigil-Mechanism-Policy.pdf. We affirm that during the financial year 2022- 23 no employee or director was denied access to the Audit Committee.

STATUTORY AUDITOR:

The Members at the 37th Annual General Meeting of the Company held on 30th September, 2021, appointed M/s Jhunjhunwala Jain & Associates LLP, Chartered Accountants, Mumbai (FRN: 113675W), as Statutory Auditors of the Company for a period of 5 (five) years and who shall hold such office from the conclusion of 37th Annual General Meeting till the Conclusion of 42nd Annual General Meeting to be held for the financial year 2025-26. M/s Jhunjhunwala Jain & Associates LLP, Chartered Accountants and Statutory Auditors of the Company have tendered their resignation w.e.f 14th August, 2023 for non-acceptance of their request by the Audit Committee and the Board for increase in remuneration for carrying out audit services from the financial year 2023-24 onwards. This has resulted in a casual vacancy in the office of Statutory Auditors of the Company. Accordingly, the Board of Directors of the Company at their meeting held on 5th September, 2023, on the recommendation of Audit Committee, approved and recommended the appointment of M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai having FRN: 101483W and Peer Review Certificate No. 014197 issued by Peer Review Board of ICAI , as Statutory Auditors to fill the casual vacancy caused by the resignation of M/s Jhunjhunwala Jain & Associates LLP. Statutory Auditors who shall hold such office from 15th August, 2023 till the conclusion of 39th Annual General Meeting of the Company. M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai, have given their consent and eligibility to this effect.

Further, the term of M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai having FRN: 101483W and Peer Review Certificate No. 014197issued by Peer Review Board of ICAI as Statutory Auditors to fill the casual vacancy caused by the resignation of M/s Jhunjhunwala Jain & Associates LLP. Statutory Auditors expires at the conclusion of 39th Annual General Meeting and being eligible have given their consent and eligibility for appointment as Statutory Auditors of the Company; .

Subject to the approval of members it is now proposed to appoint M/s Bhuwania & Agrawal Associates, Chartered Accounts, Mumbai having FRN: 101483W and Peer Review Certificate No. 014197 Issued by Peer Review Board of ICAI as Statutory Auditors for a period of 5 (five) years from the conclusion of 39th Annual General Meeting till the conclusion of 44th Annual General Meeting.

the Board of Directors of the Company based on the recommendation of the Audit Committee, unanimously recommends the Ordinary Resolution as set out in Item No.3 and 4 of this Notice for the approval of the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 3 and 4 of this Notice, except to the extent of their respective shareholding, if any, in the Company

SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial (Personnel) Rules, 2014, the Company has Appointed M/s. Amit Dharmani & Associates., Company Secretaries, Mumbai to undertake Secretarial Audit of the Company for the year 2022 - 23. The Secretarial Audit Report is annexed herewith as 'Annexure IV' and forms part of this report.

INTERNAL AUDITOR:

The Company had appointed M/s. Kaushik Shahukar & Co., Chartered Accountants, Mumbai as its Internal Auditor for the financial year 2022-23. The Internal Auditor givestheir report on quarterly basis to the Audit Committee.

Based on the report of internal audit, management undertakes corrective action in respective areas and thereby strengthens the controls.

Further, based on the recommendations of the Audit Committee, the Company has appointed M/s. Kamlesh Duggar & Co, Chartered Accountants, Mumbai, as Internal Auditors of the Company for the Financial Year 2023-24.

COST AUDITORS:

As per Section 148 read with Companies (Audit & Auditors) Rules, applicable to cost auditors, the company was not liable to appoint Cost auditors for the financial year 2022-23.

REPORTING OF FRAUD BY AUDITORS

During the year under review, the Statutory Auditors, and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act, details of which needs to be mentioned in this Report.

REMARKS ON QUALIFICATION BY STATUTORY AUDITORS AND SECRETARIAL AUDITORS:

The Statutory Auditors' report does not have any qualification / observation/adverse remark and the report is self-

explanatory.

Further, there are no observations / adverse remark in the Secretarial Auditors Report..

REPORT ON CORPORATE GOVERNANCE:

As per Schedule V Part C of Listing obligation and disclosure requirements, the provision of corporate governance is not applicable to the Company as equity share capital of the company does not exceed 10 crores and net worth of the Company does not exceed 25 Crore as on last previous Financial Year.

Note – As per Schedule V Part C [(10) (i)] of Listing obligation and disclosure requirements, Company does not require to take certificate of 'Non- Disqualification of Director' from practicing Company Secretary.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, is annexed under Annexure VI to this report.

INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. There was no complaint on sexual harassment during the year under review.

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

Details regarding conservation of energy, technology absorption, foreign exchange earnings and outgo is given in '**Annexure V'.**

COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:

Your Directors hereby confirm that the Company has complied with the necessary provisions of the revised Secretarial Standard 1 and Secretarial Standard 2 to the extent applicable to the Company.

CORPORATE SOCIAL RESPONSIBILITY:

Provisions Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to the Company during the year under review.

Listing Fees:

The Company is Listed on BSE Limited. The Company has paid the Listing Fees for the Financial Year 2022-23. The Company has paid part of the Listing Fee for the financial year 2023-24.

OTHER DISCLOSURES

The company does not have any Employees Stock Option Scheme in force and hence particulars are not furnished, as the same is not applicable.

No application has been made under Insolvency and Bankruptcy Code: hence requirement to disclose the details of application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year is not applicable to the Company.

The requirement to disclose the details of difference between amount of valuation done at the time of onetime settlement and valuation done while taking loan from the Banks and Financial Institutions along with the reasons thereof is also not applicable.

ENHANCING SHAREHOLDER VALUE

Your company firmly believes that its success, the marketplace and a good reputation are among the primary determinants of value to the shareholder. The organizational vision is founded on the principles of good governance.

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations.. Important factors that could influence the Company's operation include global and domestic demand and supply conditions affecting selling prices of Raw Materials, Finished Goods, input availability and prices, changes in government regulations, tax laws, economic developments within and outside the country and various other factors.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their sincere appreciation for the assistance and co-operation received from all the Government departments, Banks, Financial Institutions, other business constituents and members during the year under review and also look forward to their continued support in the future.

Your Directors also wish to place on record their deep appreciation for the committed services of the employees of the Company.

For and on behalf of the Board of Directors
For Konark Synthetic Limited

Anshul Agrawal
Non Executive Director
(DIN: 02060092)

Shonit Dalmia
Managing Director
(DIN: 00059650)

Place: Mumbai
Date: 5th September, 2023

Annexure I

POLICY ON CRITERIA FOR APPOINTMENT OF DIRECTORS, EVALUATION OF PERFORMANCE AND REMUNERATION

OBJECTIVE OF THE POLICY:

The Policy on Appointment of Directors, Evaluation of Performance and Remuneration, is designed to attract, motivate and retain manpower in a competitive and international market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

This Policy applies to the Company's senior management, including its Key Managerial Person and Board of Directors of Konark Synthetic Limited.

CRITERIA FOR APPOINTMENT OF DIRECTORS:

The criteria for appointment of a person as a Director on the Board of Directors of the Company are given below:

Appointment of Directors:

The Company shall appoint only those persons who possess formal qualification, relevant experience, proven track record, integrity etc.

Qualifications:

Any person to be appointed as a Director on the Board of Director of the Company, including Independent Directors, shall possess appropriate skills, experience and knowledge in one or more fields of textile, logistic, banking, finance, economics, law, management, sales, marketing, administration, research, corporate governance or technical operations.

Any person to be appointed as an Independent director shall also fulfill the criteria of Independence as laid down under Section 149(6) of Companies Act, 2013.

Further, any Director who is proposed to be appointed as a member of the Audit Committee shall also possess the following additional qualifications:

1. He/she should be financially literate, which means he/she possess the ability to read and understand basic financial statements i.e. Balance Sheet, Profit and Loss Account and Cash Flow Statement;

2. He/she should have accounting or related financial management expertise. A person will be considered to have accounting or related financial management expertise if he or she possesses experience in finance or accounting or requisite professional certification in accounting, or any other comparable experience or background which results in the financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

Experience:

Any person to be appointed as a Director on the Board of the Company shall possess the relevant experience and shall be able to provide policy directions to the Company, including directions on good corporate governance. Prior experience of being a Chief Executive Officer, Managing Director or a Whole-time director of any company shall be given utmost importance while considering appointment.

Positive attributes:

The person to be appointed as a Director of the Company shall not only possess the relevant formal qualifications and experience but shall also possess attributes like integrity and proven track record and shall demonstrate commitment to the organization.

For assessing the integrity and suitability features like past criminal records, financial position, refusal of admission to or expulsion from professional bodies and previous questionable business practices etc. shall be considered.

A person shall not be to appointed as Director if he/she possesses the disqualification as contained under Section 164 (1) of the Companies Act, 2013.

The Committee is requested to consider and recommend the same to the Board for approval.

CRITERIA FOR FIXING THE REMUNERATION:

The Nomination and Remuneration Committee determines and recommends to the Board a policy relating to remuneration for directors, key managerial personnel and other employees.

GUIDING PRINCIPLES:

The Nomination and Remuneration Committee while deciding the remuneration package for directors, key managerial personnel and other employees shall take not only take into consideration the legal provision of Section 197 of the Companies Act, 2013 but also the following items;

1. Compensation will be a major driver of performance;
2. Compensation will be competitive and benchmarked with a select group of companies from the Industry;
3. Compensation will be transparent, fair and simple to administer;
4. Compensation will be based on employment scenario in the Industry;
5. Compensation will be tax friendly and legally complaint.

CRITERIA FOR MAKING PAYMENTS TO SENIOR MANAGEMENT:

The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:

The remuneration to non-executive directors is linked with the relevant market performance, balance between financial and sectoral market, comparative scales, alignment to corporate goals, roles assumed and number of board meetings attended, contribution at the Board and committee meetings and time spent on the operational matters other than at the meetings.

The Non-Executive Directors (NEDs) will be paid remuneration by way of Commission and Sitting Fees:

1. The Company may pay sitting fees per meeting to the Non-Executive Directors (NEDs) for attending the meetings of the Board, Committee of the Board, Remuneration & Nomination Committee, Audit Committee, Stakeholders Committee etc. constituted by the Board from time to time and;
2. The Commission will be paid out of the net profits of the company at a rate not exceeding the rate as mentioned under section 197 of the Companies Act, 2013 and relevant rules as may be applicable from time to time.
3. The Company will also reimburse the out-of-pocket expenses incurred by the Directors for attending the meetings.
4. The distribution of Commission amongst the Non-Executive Directors (NEDs) will be placed before the Board.
5. Severance compensation will be guided by the terms of appointment letter.

CRITERIA FOR PERFORMANCE APPRAISAL/ EVALUATION PROCESS OF INDEPENDENT DIRECTOR:

The Nomination Committee shall lay down the evaluation criteria for performance evaluation of independent directors.

Guiding principles:

The performance of the Independent directors as well as the performance of the entire Board along with its Committees shall be evaluated annually.

Performance evaluation of Independent directors shall be done by the entire Board of Directors (excluding the director being evaluated).

The Independent directors shall at the separate meeting without the attendance of non-independent directors and members of management shall:

1. review the performance of non-independent directors and the Board as a whole;
2. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
3. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

Indicative lists of factors that may be considered while evaluating the Performance of directors are as follows:

1. How well prepared and well informed the directors are for the board meetings?
2. Whether the attendance of directors at meetings is satisfactory?
3. Do the directors show willingness to spend time and effort learning about the company and its business?

4. Are the directors willing to participate in events outside board meetings such as site visits etc.?

5. What has been the quality and value of director's contributions at board meetings?

6. What has been their contribution to the development of

   (i) Strategy and (ii) Risk management

6. Compensation will be a major driver of performance;

7. Compensation will be competitive and benchmarked with a select group of companies from the Industry;

8. Compensation will be transparent, fair and simple to administer;

9. Compensation will be based on employment scenario in the Industry;

10. Compensation will be tax friendly and legally complaint.

CRITERIA FOR MAKING PAYMENTS TO SENIOR MANAGEMENT:

The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:

The remuneration to non-executive directors is linked with the relevant market performance, balance between financial and sectoral market, comparative scales, alignment to corporate goals, roles assumed and number of board meetings attended, contribution at the Board and committee meetings and time spent on the operational matters other than at the meetings.

The Non-Executive Directors (NEDs) will be paid remuneration by way of Commission and Sitting Fees:

6. The Company may pay sitting fees per meeting to the Non-Executive Directors (NEDs) for attending the meetings of the Board, Committee of the Board, Remuneration & Nomination Committee, Audit Committee, Stakeholders Committee etc. constituted by the Board from time to time and;

7. The Commission will be paid out of the net profits of the company at a rate not exceeding the rate as mentioned under section 197 of the Companies Act, 2013 and relevant rules as may be applicable from time to time.

8. The Company will also reimburse the out-of-pocket expenses incurred by the Directors for attending the meetings.

9. The distribution of Commission amongst the Non-Executive Directors (NEDs) will be placed before the Board.

10. Severance compensation will be guided by the terms of appointment letter.

CRITERIA FOR PERFORMANCE APPRAISAL/ EVALUATION PROCESS OF INDEPENDENT DIRECTOR:

The Nomination Committee shall lay down the evaluation criteria for performance evaluation of independent directors.

Guiding principles:

The performance of the Independent directors as well as the performance of the entire Board along with its Committees shall be evaluated annually.

Performance evaluation of Independent directors shall be done by the entire Board of Directors (excluding the director being evaluated).

The Independent directors shall at the separate meeting without the attendance of non-independent directors and members of management shall:

4. review the performance of non-independent directors and the Board as a whole;

5. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;

6. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

Indicative lists of factors that may be considered while evaluating the Performance of directors are as follows:

7. How well prepared and well informed the directors are for the board meetings?

8. Whether the attendance of directors at meetings is satisfactory?
9. Do the directors show willingness to spend time and effort learning about the company and its business?
10. Are the directors willing to participate in events outside board meetings such as site visits etc.?
11. What has been the quality and value of director's contributions at board meetings?
12. What has been their contribution to the development of

    (i) Strategy and (ii) Risk management

13. How successfully the directors have brought their knowledge and experience to the benefit of the Company?
14. Where necessary, how firm are they in holding to their views and resisting pressure from others?
15. How effectively have they followed up matters about which they have expressed concern?
16. How good are their relationship with other board members, the company secretary and senior management?
17. How actively and successfully do they refresh their knowledge and skill?
18. How up-to-date they are with the latest developments in the areas such as the corporate governance framework, financial reporting and market conditions?
19. How well do they communicate with other board members, senior management and others? (e.g. shareholders)
20. Can they present their views convincingly, yet diplomatically?
21. Do they listen to the views of others?

DISCLOSURE OF INFORMATION:

The company shall disclose the Remuneration Policy in its Annual Report.

For and on behalf of the Board of Directors
For Konark Synthetic Limited

Anshul Agrawal
Non Executive Director
(DIN: 02060092)

Shonit Dalmia
Managing Director
(DIN: 00059650)

Place: Mumbai
Date: 5th September, 2023

Annexure II

(A) Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended:

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2022-23, the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2022-23:-

Sr. No.	Name of the Director / KMP	Ratio of remuneration to the median remuneration F.Y. of the employees	% Increase / (Decrease) over last
1	#Mr. Shonit Dalmia (Managing Director w.e.f 18.07.2022)	5.11:1	37.43
2	Mr. R.B. Somany (Chief Financial Officer)	4.99:1	15.00
3	*Mr. Indrajit Kanase (Company Secretary& Compliance Officer)	1.63:1	00.00
4.	#Mr. Amitabh Kejriwal (Managing Director upto 24.06.2022)	0.54:1	(78.17)

Note: Non-Executive Directors of the Company are not paid any sitting fees or commission.

(ii)	The percentage increase in the median remuneration of employees in the financial year	89.24%
(iii)	The number of permanent employees on the rolls of the company	39
(iv)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentile increase in Employee's other than managerial remuneration is 40.55% while managerial remuneration is (26.23)

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy recommended by Nomination and Remuneration Committee of the Company and adopted by the Company.

(B) Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of top ten employees drawing remuneration pursuant to the provisions of Rule, 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

Employee Name	Designation	Educational Qualifications	Age (Years)	Experience (In Years)	Date of Employment	Gross Remuneration Paid (Amt in Rs.)	Previous Employment and Designation
Mr. Shonit Dalmia	Managing Director	Masters in Bussiness Management	39	25	18.07.2022	14,10,000	NA
Mr. R.B. Somany	CFO	B.Com	58	32	26.12.1995	13,50,000	G.M (Commercial) in Matule Syntex Ltd
Mrs. Shikha Dalmia	Manager	B.Com	41	16	01.04.2017	6,00,000	-
Mrs. Namrata Dalmia	Manager	B.E. (Production)	39	14	01.04.2017	6,00,000	-
Mr. G. L. Rajgar	Factory Manager	B.A	58	34	20.09.1990	6,20,400	Black Rose India Ltd as Senior Logistics Limited
Mr. Karunakar Sherigar	Chief Accountant	B.Com	54	30	15.04.2009	6,55,983	Accountant in Vengaboys Timetech Ltd.
Mr. Neeraj Anand	Factory Manager	B. Com	56	34	01.05.1989	4,92,000	Shree Polyster Pvt. Ltd.

Swaroop Gupta							
Mr. Amit Prajapat	Accounts Manager	M. Com	32	10	01.06.2012	6,60,000	-
Mr. Lalmani Yadav	Sales Manager	B.A.	45	22	03.11.1997	5,82,000	-
Mrs. Pushpa Rajgar	Head of Quality Department	B.A	56	32	12.09.1990	4,83,600	-
Mr. Indrajit Kanase	Company Secretary & Compliance officer	C.S.	32	4	01.04.2022	4.50.474	Parekh & Associates

Notes

1. All appointments are contractual and terminable by notice on either side.
2. Remuneration includes salary, various allowances, contribution to Provident Fund and taxable value of perks.
3. None of the employees of the Company was drawing remuneration of Rs. 8,50,000/- p.m. or Rs. 1,02,00,000/- p.a. or more during the year.
4. #Mr. Shonit Dlamia Resigned as Non-Executive Non Independent Director w.e.f 18th July, 2022 and was appointed as Managing Director w,e,f 18th July, 2022.
5. #Mr. Amitabh Kejriwal resigned as Managing Director w.e.f 24th June, 2022
6. *Mr. Indrajit Kanase, Company Secretary & Compliance Officer resigned w,e,f 1st August 2023

For and on behalf of the Board of Directors
For Konark Synthetic Limited

Anshul Agrawal
Non Executive Director
(DIN: 02060092)

Shonit Dalmia
Managing Director
(DIN: 00059650)

Place: Mumbai
Date: 5th September, 2023

Annexur-III

Form AOC-I

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

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures Part "A" Subsidiaries

(Rs. In Lakhs)

Particulars	India Denim Limited
Reporting Period	31/03/2023
Share Capital	1144.59
Reserves & Surplus	(7012.61)
Total Assets	1391.29
Total Liabilities	3411.12
Investments (except in subsidiary companies)	-
Turnover	-
Profit/(Loss) before Taxation	(321.74)
Provision for Taxation	-
Profit/(Loss) after Taxation	(321.74)
Proposed Dividend	-
% of Shareholding	

1. **Name of subsidiaries which are yet to commence operations – None**
2. **Name of subsidiaries which have been liquated or sold during the year - None**

Part "B" Associates and Joint Ventures–

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

(Rs. In Lakhs)

Name of Associates	Konark Infratech Private Limietd
Latest audited Balance Sheet Date	31st March,2023
Shares of Associate held by the company on the year end	
i) No. of shares held as on 31stMarch, 2023	28,000
ii) Amount of Investment in Associates	Rs. 2.80
iii) Extend of Holding %	26.92%
Description of how there is significant influence	Holding 26.92% voting powers
Reason why the associate is not consolidated	Consolidated
Net Worth attributable to Shareholding as per latest audited Balance Sheet	
Profit / Loss for the year	

1. Names of associates or joint ventures which are yet to commence operations: None
2. Names of associates or joint ventures which have been liquidated or sold during the year: None

For and on behalf of the Board of Directors
For Konark Synthetic Limited

Anshul Agrawal
Non Executive Director
(DIN: 02060092)

Shonit Dalmia
Managing Director
(DIN: 00059650)

Place: Mumbai
Date: 5th September, 2023

Annexure-IV
Form No. MR-3
SECRETARIAL AUDIT REPORT OF
KONARK SYNTHETIC LIMITED

FOR THE FINANCIAL YEAR ENDED 31st March, 2023

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

To,
The Members,
KONARK SYNTHETIC LIMITED
Mittal Industrial Estate Building No. 7,
Saki Naka Andheri (East)
Mumbai-400059, Maharashtra, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KONARK SYNTHETIC LIMITED (CIN: L17200MH1984PLC033451) ('hereinafter called the Company') for financial year from April 01st, 2022 to March 31st, 2023 (hereinafter referred to as “the Audit Period”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, and as per the explanations given to us and the representations made by the Management of the Company, we hereby report that in our opinion, the Company had, during the Audit Period generally complied with the statutory provisions listed hereunder and also that the Company had 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 during the Audit Period and other records made available to us and maintained by the Company and as shown to us during our audit and according to the provisions of the following laws:

I. The Companies Act, 2013 and the Rules made there under and the applicable provisions of the Companies Act, 1956;

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

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

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

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

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

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);

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

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period);

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);

i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

VI. As informed to us the following other laws specifically applicable to the Company as under:

a. Factories Act, 1948

b. Industrial Dispute Act, 1947

c. The Payment of Wages Act, 1936

d. The Minimum Wages Act, 1948

e. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

f. The Employees' Compensation Act

g. The Maternity Benefit Act

h. The Contract Labour (Regulation & Abolition) Act, 1970

i. The Child Labour (Prohibition & Regulation) Act, 1986

j. The Apprentices Act, 1961

k. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959

l. Environment (Protection) Act, 1986

m. Prevention and control of pollution Act

n. Drugs and cosmetics Act, 1940

o. Narcotics Drugs and Psychotropic substances Act, 1985

p. Food safety and standards Act, 2006

q. The Patent Act, 1970

r. The Trademark Act, 1999

s. Legal Metrology Act, 2009

t. The payment of Gratuity Act, 1972

u. The payment of Wages Act, 1936

v. The Negotiable Instruments Act, 1881

w. The Water (Prevention and Control of Pollution) Act, 1974

x. The Air (Prevention and Control of Pollution) Act, 1981

y. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

z. The sexual Harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013.

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

(i) Secretarial Standards (SS) issued by the Institute of Company Secretaries of India.

During the Audit Period and as per the explanation and clarification given to us and the representations made by the management, the Company had generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.

We further report that:

1. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings / debenture holdings and directorships in other companies and interests in other entities;

2. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

3. The Company has obtained all necessary approvals under the various provisions of the Act; and

4. There was no prosecution initiated during the year under review under the Companies Act and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers though some forms were uploaded with late filing fees .

We further report that:

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

Adequate notice were given to directors to schedule the Board Meetings, committee meetings and agenda along with the detailed notes on agenda were also sent in advance of seven days, however 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.

Decisions at the Board Meetings were taken unanimously.

We further report that the Company has given a Corporate Guarantee of Rs. 2706.00 Lacs (P.Y. Rs.2706.00 Lacs) to the bankers of its subsidiary company namely India Denim Limited and a Corporate Guarantee of Rs. 4600.00 Lacs (P.Y. Rs.4600.00 Lacs) to the bankers of its Associate Company' subsidiary company namely Konark Gujarat PV Private Limited against Term Loan and Working Capital Facilities sanctioned to the said companies. Further, the above contingent liability includes corporate guarantee of Rs.2706.00 Lacs in respect of loan availed by its subsidiary company M/s. India Denim Limited. The accounts of the said subsidiary have been classified as NPA by the bankers of the company. The legal proceeding regarding the said matter when ultimately concluded, will have a material impact on financial position of the Company and company may not be able to discharge its liabilities as guarantor as the amount of the liability of the company against these corporate guarantees are much higher than the total net worth of the company.

We further report that during the audit period the company has not done any such events mentioned below:

a. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.

b. Redemption / buy-back of securities

c. Merger / amalgamation / reconstruction, etc.

d. Foreign technical collaborations

Place: Mumbai
Date: 5th September, 2023

For Amit Dharmani & Associates
Company Secretaries

Amit Dharmani
Proprietor
FCS 12050 & COP 18179
UDIN: F012050E000944553
Unique Identification No.: S2017MP474100
Peer Review Certificate No.: 996/2020

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

ANNEXURE – A

(To the Secretarial Audit Report of KONARK SYNTHETIC LIMITED for the financial year ended March 31, 2023)

To,
The Members,
KONARK SYNTHETIC LIMITED
Mittal Industrial Estate Bldg no 7,
Saki Naka Andheri (East)
Mumbai Maharashtra 400059 India

Our Secretarial Audit Report for the financial year 31st March, 2023 is to be read along with this letter.

Management's Responsibility:-

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:-

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:-

5. 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.

6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

Place: Mumbai
Date: 5th September, 2023

For Amit Dharmani & Associates
Company Secretaries

Amit Dharmani
Proprietor
FCS 12050 & COP 18179
UDIN: F012050E000944553
Unique Identification No.: S2017MP474100
Peer Review Certificate No.: 996/2020

Annexure V

Statement of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo pursuant to the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

CONSERVATION OF ENERGY:

A) Energy Conservation measures taken:

- Taking continuous steps to conserve the energy and minimize energy cost at all levels.
- Monitoring the overall energy consumption by reducing losses and improving efficiencies.

B) Impact of the above measures:

- Continuous Energy Audit at plant for further improvements.
- Reduction in the cost of production through minimizing breakdown by way of preventive maintenance and improvement in the product quality.

TECHNOLOGY ABSORPTION:
Research & Development (R & D):

(i) Specific areas in which R&D is carried out by the Company: NA

(ii) Benefits derived as a result of the above R&D: NA

(iii) Future plan of action:

- Increased efforts for the development of new type of yarn to meet changing requirements of customers located all over the country and abroad.

Expenditure on Research and Development:

- Capital Expenditure - Nil
- Recurring Expenditure - Nil
- Percentage of Turnover - Nil

Technology Absorption, Adoption & Innovation:

(i) Efforts in brief made towards technology absorption, adaptation and innovation.

Modification of process, equipment and products are carried out to suit changes in market requirement and to improve operational efficiency.

(ii) Benefits derived as a result of above efforts:

- Increase in production, development of new products and cost reduction.
- Cost efficiency achieved with improvement in quality.
- New product introduced for suiting manufacturer.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs. in Lakhs)

Particulars	2022 – 23	2021-22
Foreign Exchange Earning	0.00	0.00
Foreign Exchange Outgo	0.00	2.83

For and on behalf of the Board of Directors
For Konark Synthetic Limited

Anshul Agrawal
Non Executive Director
(DIN: 02060092)

Shonit Dalmia
Managing Director
(DIN: 00059650)

Place: Mumbai
Date: 5th September, 2023

MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry structure and developments:

The financial year 2022-23 opened with a firm belief that the pandemic was rapidly on the wane and that India was poised to grow at a fast pace and quickly ascend to the pre-pandemic growth path. The economy was expected to grow at 6.5 to 7% for FY23 despite pandemic recovery and the Russia-Ukraine war. India's economic growth in FY23 has been principally led by private consumption and capital formation. Global growth has been projected to decline in 2023 and is expected to remain generally subdued in the following years as well.

2. Opportunities and Threats:

India's textile industry is a major contributor to the country's economy. The industry is experiencing a shift towards sustainable and eco-friendly practices. India's textile industry has immense potential in the global market. The government has implemented various initiatives to support the growth of the textile industry such as "Make in India" to promote domestic manufacturing and aims to position India as a global manufacturing hub. Special focus is being given to skill development programs, technological upgradation, and infrastructure development to enhance the industry's competitiveness. India's textile industry has immense potential in the global market.

The global textile industry is facing a number of challenges, including weakening demand, inflation, and high energy prices, rising labor costs, increasing competition from low-cost countries (global competition), environmental regulations, infrastructural bottlenecks, outdated machinery, limited access to finance, fluctuating raw material prices and changing consumer preferences. Despite its promising outlook, the Indian textile industry faces challenges that need to be addressed for sustained growth. These challenges have led to a decline in business conditions, order intake, and capacity utilization.

Your Company is repositioning itself to the fast changing situation and expects to come out stronger.

3. Performance

Performance overall

The overall performance during the year 2022 - 23 was not satisfactory. The detail of financial performance is given in Directors Report.

Business Review

As compared to the earlier years, our Company is setting for the positive growth. Despite competition at global level, there are positive signs for efficient and innovative companies and your company is set to follow the best practices to perform well.

Financial Review

During year under review Company's sales and operations were a bit slow and rigid. Although the Company showed significant growth during the period under review as compared to the previous financial year i.e, 2021-22

The Company is looking forward for change in present scenario and increase consumer confidence and grow market consumption along with other cost cutting measures including better finance control, working capital management, etc.

4. Outlook:

The market is expected to grow on the back of continued growth in domestic demand and high potential growth in exports. The management is confident of better performance from the financial year 2023-24 onwards.

5. Risk and Concerns:

The exercise for evaluating the potential risks for the organization is closely monitored by the management. All identified risks have been classified with respect to their seriousness and probabilities of such risks getting materialized have also been ascertained. In formulating corporate strategies, these risks are duly considered and counter measures are adopted.

Every Sector has both internal & external risk and textile sector is no exceptional to it. Company monitors the external environment & manages the internal environment to mitigate the risks faced by the company.

6. Internal Control System & Adequacy:

The Company has proper and adequate system of internal control to ensure that all the assets are safeguarded from loss, damage or disposition. The Company has independent Audit system to monitor the entire operations and the Audit Committee monitors financial statement to ensure that transactions are adequately authorized and recorded, and that they are reported correctly. The Board of Directors considers internal controls as adequate as it regularly review the findings and recommendations of internal audits.

7. KEY FINANCIAL RATIOS

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018)(Amendment) Regulations, 2018, the company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector specific financial ratios.

Particulars	F.Y 2022 -23*	F.Y 2021 - 22	Change in Percentage
Debtors Turnover Ratio	3.02	2.00	51.46%
Inventory Turnover Ratio	2.26	2.09	-8.31%
Interest Coverage Ratio	(15.00)	15.05	199.68%
Net Profit Margin	(18.43)	(1.12)	(1552.12)%
Current Ratio	1.12	1.28	-12.49%
Return on Capital Employed	(29.94)	10.03	398.40%
Return on Networth	(31.74)	(2.67)	(4320.41)%

Note: 1. Above Financial Ratios are based on Standalone Financials of the Company.

8. Human Resource Development:

Your Company gives utmost importance to Human Resource. It considers Human Resource as Human Capital and believes in development of Human Resource. Over the years, your Company has developed an environment, which fosters excellence in performance by empowering its people, who are always on continuous improvement path with an ultimate aim to add value to their intellectual and knowledge resources. The key focus is to attract, retain and develop talent as a resource through rewards mechanism, performance evaluation and harmonious & constructive working climate. During the year 2022-23, the Company had 39 permanent employees on its payroll.

9. Cautionary Statement:

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

For and on behalf of the Board of Directors
For Konark Synthetic Limited

Anshul Agrawal
Non Executive Director
(DIN: 02060092)

Shonit Dalmia
Managing Director
(DIN: 00059650)

Place: Mumbai
Date: 5th September, 2023

Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management:

In terms of the requirements of the Listing Obligation and Disclosure Requirements, Regulations 2015, Code of Conduct as approved by the Board of Directors of the Company I, Shonit Dalmia (DIN: 00059650) Managing Director on behalf of the board of directors and senior management of the Company hereby declare that all Board members and senior management personnel affirm compliance with the code on an annual basis for the period 31st March, 2023.

For and on behalf of the Board of Directors
For Konark Synthetic Limited

Shonit Dalmia
Managing Director
DIN No: 00059650

Place: Mumbai,
5th September, 2023

DECLARATION ON CODE OF CONDUCT

To

The Members of

Konark Synthetic Limited

I, Shonit Dalmia, Managing Director of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct during the financial year 2022-23.

For and on behalf of the Board of Directors
For Konark Synthetic Limited

Shonit Dalmia
Managing Director
DIN No: 00059650

Place: Mumbai,
5th September, 2023

To
The Board of Directors
Konark Synthetic Limited
Mittal Industrial Estate,
Bldg no 7 Saki Naka,
Andheri (East)
Mumbai – 400059

Sub.: Compliance Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s),

A. We hereby certify that the financial statements and the cash flow statement for the year ended 31st March, 2023 and that to the best of my knowledge and belief:

B.

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

C. 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.

D. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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.

E. We have indicated to the auditors and the Audit committee

(1) Significant changes in internal control over financial reporting during the year, if any;

(2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) 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 Konark Synthetic Limited

Shonit Dalmia
Managing Director
(DIN-00059650)

R. B. Somany
Chief Financial Officer

Place: Mumbai
Date: 5th September, 2023

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the members of **KONARK SYNTHETIC LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Financial Statements of **KONARK SYNTHETIC LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its loss, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to the following matters:

a) The company has shown bad debts of Rs.819.89 Lacs under exceptional items in statement of profit & loss account for the year ended March 31, 2023 based on the management's estimate of prospect of recovery and settlement with the debtors. Despite of large amount of receivable, the company have not initiated any legal proceedings against these debtors till the date of this report.

b) The company' Trade Receivables includes Long Outstanding receivables of Rs.711.18 Lakhs from Mudra Denims Pvt Ltd. The said company is under Corporate Insolvency Resolution Process and the probability of recovery of the dues is minimal. The company has made an impairment provision in earlier years of Rs.177.79 Lakhs and have a net outstanding of Rs.533.39 lakhs as at Balance Sheet date. The impairment provision was made based on the management's estimate of prospect of recovery. However, In the absence of adequate evidence of recovery of the said dues, we are unable to comment on the realisability of the balance amount outstanding.

   The company' Trade Receivables also includes Long Outstanding receivables of Rs.93.47 Lakhs from Shubhlakshmi Polyester Ltd. The company has not made any provision for impairment and claims 100% probability of recovery of dues from parties. However, In the absence of adequate evidence of recovery of the said dues, we are unable to comment on the realisability of the amount outstanding.

   Despite of large amount of receivable, the company have not initiated any legal proceedings against these debtors till the date of this report.

c) We draw attention to Note 35 of the accompanying standalone financial statements regarding contingent liability/capital commitments which describes as below:

   The Company has given a Corporate Guarantee of Rs.2706.00 Lacs (P.Y. Rs.2706.00 Lacs) to the bankers of its subsidiary company namely India Denim Limited and a Corporate Guarantee of Rs.4600.00 Lacs (P.Y. Rs.4600.00 Lacs) to the bankers of its Associate Company' subsidiary company namely Konark Gujarat PV Private Limited against Term Loan and Working Capital Facilities sanctioned to the said companies.

Further, the above contingent liability includes corporate guarantee of Rs.2706.00 Lacs in respect of loan availed by its subsidiary company M/s. India Denim Limited. The accounts of the said subsidiary have been classified as NPA by the bankers of the company. The legal proceeding regarding the said matter when ultimately concluded, will have a material impact on financial position of the Company and company may not be able to discharge its liabilities as guarantor as the amount of the liability of the company against these corporate guarantees are much higher than the total net worth of the company.

Our opinion is not modified in respect of these above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Impairment of financial assets including write-offs using Expected Credit Losses (ECL) model** As described in the notes to the standalone financial statements, the impairment losses have been determined in accordance with Ind AS 109 Financial Instruments requiring considerable judgment and interpretation in its implementation, which also involved significant judgement by management in measuring the expected credit losses. Key areas of judgment included: Determining the criteria for a significant increase in credit risk (`SICR')  Techniques used to determine the Probability of Default (PD) and Loss Given Default (`LGD') Assumptions used in the expected credit loss model such as the financial condition of the counterparty, expected future cash flows etc.	**Principal Audit Procedures** We assessed the appropriateness of the Company's policy on Expected Credit Loss recognition on financial instruments with reference to the applicable accounting standards. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing: We evaluated and tested the design and tested the operating effectiveness of Company's controls over the data used to determine the impairment reserve, internal credit quality assessments and methodology followed for computation of ECL. For Expected Credit Losses computed by the management, we performed the following procedures: • Assessed the reasonableness of assumptions and judgement made by management on model adoption and parameters selection; • Examined the key data inputs to the ECL model on a sample basis to assess their accuracy and completeness; • Evaluated and tested on sample basis the appropriateness of staging including determination of significant increase in credit risk; • Assessed the Company's methodology for ECL provisioning, Classification and Measurement; • We enquired with the management regarding significant judgments and estimates involved in the impairment computation and evaluated the reasonableness thereof.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information in the Management Discussion and Analysis, Board's Report including Annexure to the Board's Report and Corporate Governance but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Standalone Financial Statements:

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone 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 Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

   c) The Company does not have any branch. Hence, the provisions of section 143(3)(c) is not applicable.

   d) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   e) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   f) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

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

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company during the year ended March 31, 2023.

   iv. (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 shal1, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (''Ultimate Beneficiaries'') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

v. The company has not declared or paid any dividend during the year ended March 31, 2023.

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

(C) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm's Registration No: 113675W/W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No. : 164931
UDIN : 23164931BGXSYU6750

Place : Mumbai
Date : May 30, 2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report of KONARK SYNTHETIC LIMITED on the standalone financial statements for the year ended March 31, 2023.)

(i) In respect of its property, plant and equipment

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment except in case of certain Plant & Machinery and few other assets where item wise particulars are not available and the company is in process of retrieving the relevant information and updating the same in Fixed Assets Register.

(B) The company has maintained proper records for intangible assets.

b) Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification as informed by management.

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

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

(ii) In respect of its Inventory

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

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of Rs.5 crore, in aggregate, from banks on the basis of security of current assets and following discrepancies were noticed between Quarterly Statement of Current assets filed with the bank and books of accounts**:**

Quarter Ended on	Amount of Current Assets as filed with the Bank (A)	Amount of Current Assets as per Books (B)	Difference, if Any (A-B)	Reason for Discrepancies, if any
June, 2022	4,163.56	3,908.64	**254.92**	According to the information and explanations given to us by the management, the quarterly stock statements were submitted to bank based on the Cost method of stock valuation. Whereas, during the quarterly review/audit the stock were valued at lower of Cost or Net Realizable Value. Further the value of Trade receivables were reported on gross basis in the stock statement instead of net off provision.
September, 2022	4,059.02	3,700.45	**358.57**	
December, 2022	3,991.88	3617.85	**374.03**	
March, 2023	3,887.67	2,787.59	**1,100.08**	

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that, during the year, the Company has not made any investments in, provided any guarantee, or security to companies, firms, Limited Liability Partnerships or any other parties.

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that, during the year, the Company has not granted any loans or advances in the nature of loans, provided any guarantee or security to any party. Hence, reporting under clause 3(iii) (a)(A) and 3(iii) (a)(B) of the Order is not applicable.

b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions of the loans granted by the company are prejudicial to the company's interest on account of the fact that company the loans have been granted at interest free and without security. Details of such loans & advances are as under:

Particulars	**Amount (Rs. In Lakhs)**
Gross Balance outstanding as at beginning of the year	56.97
Loans granted during the year	-
Gross Balance outstanding as at balance sheet date	56.97

According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the corporate guarantees provided by the company in respect of loans taken by other companies are prejudicial to the company's interest on account of the fact that amount of guarantee is much higher than the net worth of the company. Details of such corporate guarantee are as under:

Particulars	**Amount (Rs. In Lakhs)**
Amount of guarantee as at beginning of the year	7306.00
Guarantee provided during the year	-
Amount of guarantee as at balance sheet date	7306.00

According to the information and explanations given to us and based on our examination of the records, investments made are not prejudicial to the interest of the company.

c) In respect of the loans and advances in the nature of loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in absence of stipulation of repayment terms we are unable to make any comment on the regularity of repayment of principal and payment of interest.

d) As the above-mentioned loan granted is payable on demand, thus adherence of this clause is not applicable in case of principal.

e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the various parties, Accordingly, reporting under clause 3(iii)(e) of the order is not applicable.

f) The company has granted loans or advances in the nature of loans in the nature of loans either repayable on demand or without specifying terms or period of payment and the details of paragraph 3(iii)(f) for such loans & advances outstanding as on balance sheet date are disclosed as under:

(Rs. In Lakhs)

Particulars	**All Parties**	**Promoters**	**Other Related Parties**
Aggregate amount of loans/ advances in nature of loans			

- Repayable on Demand (A)	809.27	-	809.27
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	809.27	-	809.27
Percentage of loans/ advances in nature of loans to the total Loans	100.00%	-	100.00%

(iv) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, we report that, the Company has complied with the provisions of section 185 and 186 of companies Act, 2013 in respect of grant of loans, making investment and providing guarantees and securities, as applicable, except that company has extended loan to its subsidiary company which is interest free and there is no stipulation as to repayment of loan given, which is not in compliance with the provisions of section 186(7) of the Act. The details of loan are as under:

Name of the borrower	Nature of Loan	Relationship with the borrower	Amount Involved (Rs. In Lakhs)	Amount outstanding as on March 31, 2023 (Rs. in Lakhs)	Remarks
India Denim Limited	Loan repayable on demand	Subsidiary Company	56.97	56.97	Loan given interest free and without stipulation of repayment terms

(v) According to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) Adequate Cost records is not maintained by the company as per rules made by the central government for the maintenance of cost records under section 148(1) of the companies act 2013 relating to the manufacturing activities of the company. We have not, however, made a detailed examination of the said cost records.

(vii) In respect of statutory dues:

a) According to the information and explanation given to us, the statutory dues have been regularly deposited during the year by the company with the appropriate authorities. There are no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, GST, Custom Duty, Service Tax, Investor Education and Protection Fund, Excise Duty, Cess and any other statutory dues as at March 31, 2023 for a period of more than six months from the date of becoming payable except statutory dues of Rs.25.02 Lakhs pertaining to ESIC and Rs.0.05 Lakhs pertaining to Profession Tax.

b) There were no disputed dues in respect of Sales Tax, Wealth Tax, GST, Custom Duty, Service Tax, Investor Education and Protection Fund, Excise Duty, Cess which have not been deposited. Details of dues of Income Tax which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rs. in Lakhs)
Income Tax Act, 1961	Income Tax	Rectification pending with CPC/Assessing Officer	FY 2014-15	8.65

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

(ix) (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 has not defaulted in repayment of dues in respect of liability towards term loans with banks or financial institutions.

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

(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not raised any amount by way of term loans during the year.

(d) The Company has not raised any funds on short term basis during the year and hence, reporting under clause 3(ix)(d) of the Order is not applicable.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as defined under the companies Act, 2013 and hence reporting on clause 3(ix)(f) of the Order is not applicable.

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

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

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

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) According to the information and explanations given to us, there were no whistle blower complaints received by the Company during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transaction with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the notes to the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion the Company has an internal audit system commensurate with the size and the nature of its business.

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

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our opinion, the Company not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(a) of the Order is not applicable.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year and hence reporting under clause 3(xvi)(b) of the Order is not applicable.

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

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and hence reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The company has incurred cash losses of Rs.771.56 Lakhs during the current financial year covered by our audit however the company has not incurred any cash losses during the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors of the company during the year and hence reporting under clause 3(xviii) of the Order is not applicable.

(xix) 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, except for the discharge of liability arises due to corporate guarantee of Rs.2706.00 Lakhs in respect of loan availed by its subsidiary company M/s. India Denim Limited and corporate guarantee of Rs.4600.00 Lakhs in respect of loan availed by its associate' subsidiary company M/s. Konark Gujarat PV Private Limited, nothing has come to our attention, which causes us

to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, the provisions of section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility are not applicable to the company and hence reporting under clause 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm's Registration No: 113675W/W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No. : 164931
UDIN : 23164931BGXSYU6750

Place : Mumbai
Date : May 30, 2023

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

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

(Referred to in paragraph (2) (f) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report of KONARK SYNTHETIC LIMITED on the standalone financial statements for the year ended March 31, 2023)

We have audited the internal financial controls over financial reporting of **KONARK SYNTHETIC LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements include 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 Standalone 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 Standalone Financial Statements .

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

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

Other Matter

According to the information and explanations given to us and based on our examination of the records of the company, we report that, material weakness has been identified in the Company's internal financial controls over recovery of trade receivables of the company. Such weak internal control system is contributing to the negative growth of the company and deteriorating the funds of shareholders.

A 'material weakness' is a deficiency or a combination of deficiencies in internal financial control over financial reporting such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, except as mentioned in "other matter" above, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm's Registration No: 113675W/W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No. : 164931
UDIN : 23164931BGXSYU6750

Place : Mumbai
Date : May 30, 2023

Konark Synthetic Limited

CIN:L17200MH1984PLC033451

Standalone Balance Sheet as at March 31, 2023

All amount are in INR (Lakhs) otherwise stated

Assets	Note No.	As at March 31,2023	As at March 31,2022
Non-current Assets			
(a) Property, Plant and Equipment	4	532.40	895.24
(b) Capital Work-In-Progress		-	
(c) Intangible Assets			-
(d) Financial Assets		1.02	1.02
(i) Investments	5	2.83	2.83
(ii) Others	6	54.64	54.87
(e) Other Non-Current Assets		-	-
(f) Deferred Tax Assets (Net)	7	-	77.54
Total Non-Current Assets		**590.89**	**1,031.50**
Current Assets			
(a) Inventories	8	1,491.64	1,843.52
(b) Financial Assets			
(i) Trade Receivables	9	1,295.95	1,836.84
(ii) Cash and Cash Equivalents	10	21.02	4.42
(iii) Bank Balances Other Than Above	11	-	-
(iv) Loans	12	825.51	748.83
(v) Others		-	-
(c) Current Tax Assets (Net)`	13	114.58	111.31
(d) Non Current Assets classified as held for sale		-	-
(e) Other Current Assets	14	89.39	92.57
Total Current Assets		**3,838.08**	**4,637.50**
Total Assets		**4,428.97**	**5,670.00**

Equity and Liabilities	Note No.	As at March 31,2023	As at March 31,2022
Equity			
(a) Equity Share Capital	15	580.80	580.80
(b) Other Equity	16	(287.38)	589.76
Total Equity		**293.42**	**1,170.56**
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	686.83	848.49
(b) Provisions	18	33.29	38.87
(c) Deferred Tax Liabilities (Net)		-	-
Total Non-Current Liabilities		**720.12**	**887.06**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	2,258.72	2,203.55
(ii) Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises; and		11.02	12.62
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises."	20	941.39	1,192.00
(iii) Other Financial Liabilities	21	63.66	86.17
(b) Other Current Liabilities	22	139.92	116.23
(c) Current Tax Liabilities (Net)		-	-
(d) Provisions	23	0.72	0.80
Total Current Liabilities		**3,415.43**	**3,611.38**
Total Liabilities		**4,135.55**	**4,498.44**
Total Equity and Liabilities		**4,428.97**	**5,670.00**

Summary of significant accounting policies 3

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached
For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm Registration No: 113675W / W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No : 164931
Place : Mumbai
Date : 30th May, 2023

For and on behalf of the Board of directors

Shonit Dalmia (Managing Directo)
Anshul Agrawal (Director)

Indrajit Kanase (Company Secretary & Compliance Officer)
R.B. Somany (Chief Finance Officer)

Konark Synthetic Limited

CIN:L17200MH1984PLC033451

Statement of Standalone Profit and Loss for the Year ended March 31,2023

All amount are in INR (Lakhs) otherwise stated

	Particulars	Note No.	For the year ended March 31,2023	For the year ended March 31,2022
I.	**Income**			
	Revenue from operations	24	4,736.37	4,009.76
	Other Income	25	103.28	259.30
	Total Revenue (I)		**4,839.65**	**4,269.06**
II.	**Expense**			
	Cost of Material Consumed	26	1,215.82	890.63
	Purchase of Stock-in-trade		2,221.39	2,927.14
	Change in inventories of finished goods/stock in trade	27	326.11	(647.30)
	Employee benefits expenses	28	154.45	141.19
	Finance Costs	29	337.76	271.10
	Depreciation and amortisation expenses	4	103.78	125.87
	Impairment of financial assets		(10.28)	107.02
	Other Expenses	30	382.08	382.60
	Total Expenses (II)		**4,832.11**	**4,198.25**
III	**Profit / (loss) before exceptional items and income tax (I-II)**		**7.54**	**70.81**
IV	Exceptional item			
	- Diminution in the value of Investments of subsidiary		-	-
	- Profit (Loss) on sale of Fixed Assets/Store		(14.90)	(25.86)
	- Bad Debts		(819.89)	(93.76)
V	**Profit / (Loss) before tax (III - IV)**		**(797.45)**	**(48.82)**
VI	**Tax expense**			
	Current tax		-	-
	Deferred Tax charge/ (benefits)		74.72	(15.32)
	Tax expense for earlier years		0.94	11.24
VII	Profit / (Loss) after tax for the year (V - VI)		**(873.11)**	**(44.74)**
VIII	Other comprehensive income, net of tax		-	-
	Items that will not be classified to profit or loss			
	- Remeasurement gain/(loss) on defined benefit plans		10.86	17.57
	- Income tax relating to remeasurement (gain)/loss on above		(2.82)	(4.57)
	Other comprehensive profit for the year		**8.03**	**13.00**
IX	Total Comprehensive Income for the year (VII-VIII)		**(865.08)**	**(31.74)**
X	**Earnings Per Equity Share of Face Value of Rs.10 each**	36		
	Basic – After Exceptional Items		(15.03)	(0.77)
	Basic – Before Exceptional Items		(1.17)	1.29
	Diluted – After Exceptional Items		(15.03)	(0.77)
	Diluted – Before Exceptional Items		(1.17)	(1.29)

Summary of significant accounting policies 3

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached
For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm Registration No: 113675W / W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No : 164931
Place : Mumbai
Date : 30th May, 2023

For and on behalf of the Board of directors

Shonit Dalmia (Managing Director)

Anshul Agrawal (Director)

Indrajit Kanase (Company Secretary & Compliance Officer)

R.B. Somany (Chief Finance Officer)

Konark Synthetic Limited

CIN:L17200MH1984PLC033451

Standalone Cash Flow Statement For The Year Ended March 31, 2023

All amount are in INR (Lakhs) otherwise stated

Particulars		For the year ended 31st March, 2023		For the year ended 31st March, 2022	
A. Cash flow from operating activity					
Net Profit before tax & Extra Ordinary Items			**(797.45)**		**(48.82)**
Adjustment for : Depreciation		103.78		125.87	
Interest paid		337.76		271.10	
Prior Period Adjustments		12.07		1.28	
Provision for Impairment		(10.28)		107.02	
(Profit)Loss on Sale of Fixed Assets		14.90		25.86	
(Profit)Loss on Sale of Investment		-		(111.87)	
Interest Income (considered Seperately)		(84.44)		(79.27)	
Bad Debts		819.89	1,163.88	-	(343.45)
Operating Profit before working capital changes			**366.43**		**294.65**
WORKING CAPITAL CHANGES					
(Increase)Decrease in Trade Receivable		(277.75)		236.32	
(Increase)Decrease in Loans & Advances & Other Receivables		(73.27)		(23.24)	
(Increase)Decrease in Inventories		351.89		(648.90)	
Increase(Decrease) in Trade Payable & other payables		299.75	(298.88)	246.27	(189.55)
Cash Generated From operations			**67.55**		**105.09**
Direct Tax Paid			(5.84)		(3.18)
Cash Flow Before Prior Period & Extra Ordinary Items			**61.71**		**101.91**
Prior Period & Extra Ordinary Items			(12.07)		(1.28)
Net Cash Flow From Operating Activities	**(A)**		**49.64**		**100.63**
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets		(1.71)		(53.66)	
Interest Income		0.87		1.45	
Advance Received against Sale of Land and Building		25.00		-	
Sale of fixed assets		297.95		607.66	
Net Cash Outflow for investing Activities			304.11		555.45
Cash flow after investing activities	**(B)**		**304.11**		**555.45**
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Long term borrowing (Net of Repayments)		(132.48)		(199.33)	
Proceeds from Short term borrowing (Net of Repayments)		22.19		(293.39)	
Interest paid		(226.86)		(168.58)	
Net Cash Flow from financing activity	**(C)**		(337.15)		(661.29)
Increase in cash and cash equivalents	**(A+B+C)**		**16.60**		**(5.21)**
Cash &Cash Equivalent (Opening Balance)			4.42		9.64
Cash &cash equivalent(Closing balance)			21.02		4.42
Increase in cash & cash equivalent			**16.60**		**(5.21)**

Summary of significant accounting policies 3

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached
For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm Registration No: 113675W / W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No : 164931
Place : Mumbai
Date : 30th May, 2023

For and on behalf of the Board of directors

Shonit Dalmia (Managing Director)
Anshul Agrawal (Director)

Indrajit Kanase (Company Secretary & Compliance Officer)
R.B. Somany (Chief Finance Officer)

Konark Synthetic Limited
Standalone Statement of changes in equity as at March 31, 2023

All amount are in INR (Lakhs) otherwise stated

A. Equity Share Capital

Balance as at April1,2022	Changes in equity share capital due to prior period errors	Restated balance as st April1,2022	Changes in equity share capital during the year	Balance as at March 31,2023
580.80	**-**	**580.80**	**-**	**580.80**

Balance as at April1,2021	Changes in equity share capital due to prior period errors	Restated balance as st April1,2021	Changes in equity share capital during the year	Balance as at March 31,2022
580.80	**-**	**580.80**	**-**	**580.80**

B. Other Equity

Particulars	Capital Redemption Reserve	Securities Premium Reserve	Capital Incentive Subsidy	General Reserve	Retained Earnings	Total
Balance as at 01st April, 2022	40.00	683.57	25.00	597.51	(756.32)	**589.76**
Add : Prior Period Adjustment	-	-	-	-	(12.07)	**(12.07)**
Add : Profit /(Loss) for the year	-	-	-	-	(873.11)	**(873.11)**
Add : Other Comprehensive Income for the year	-	-	-	-	8.03	**8.03**
Balance as at 31st March, 2023	**40.00**	**683.57**	**25.00**	**597.51**	**(1,633.46)**	**(287.38)**

Particulars	Capital Redemption Reserve	Securities Premium Reserve	Capital Incentive Subsidy	General Reserve	Retained Earnings	Total
Balance as at 01st April, 2021	40.00	683.57	25.00	597.51	(723.31)	**622.78**
Add : Prior Period Adjustment	-	-	-	-	(1.28)	**(1.28)**
Add : Profit /(Loss) for the year	-	-	-	-	(44.74)	**(44.74)**
Add : Other Comprehensive Income for the year	-	-	-	-	13.00	**13.00**
Balance as at 31st March, 2022	**40.00**	**683.57**	**25.00**	**597.51**	**(756.32)**	**589.76**

Summary of significant accounting policies
The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached
For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm Registration No: 113675W / W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No : 164931
Place : Mumbai
Date : 30th May, 2023

For and on behalf of the Board of directors

Shonit Dalmia (Managing Director)
Anshul Agrawal (Director)

Indrajit Kanase (Company Secretary & Compliance Officer)
R.B. Somany (Chief Finance Officer)

KONARK SYNTHETIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note 1 CORPORATE INFORMATION:

Konark Synthetic Limited ("the Company") is a limited Company domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE), in India. The registered office of the Company is situated at Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai -400059, India.

Company is engaged in the Manufacturing of Yarn and Trading of Fabric with Weaving and Processing and Manufacturing of Readymade Garments.

Note 2 BASIS OF PREPARATION AND PRESENTATION:

i. Statement of compliance

These financial statements ("the Financial Statements") are prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented in these financial statements.

ii. Accounting convention

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

iii. Presentation

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division II of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

The Standalone financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest Lakhs, except when otherwise indicated.

iv. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the note 3 of the financial statements.

Note 3 SIGNIFICANT ACCOUNTING POLICIES:

The financial statements have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

3.1 **Property Plant and Equipment:**

Property, plant and equipment are carried at cost of acquisition or construction, net of recoverable taxes less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchases price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use.

Capital work in progress includes cost of property, plant and equipment under installation as at the balance sheet date.

Depreciation on the Property plant and equipment is provided using straight line method over useful life of assets as specified in schedule II to the Companies Act,2013, Depreciation on Property Plant & equipment addition/deletion during the year has been provided on pro-rata basis from the date of such addition or upto date of such deletion as the case may be. Freehold land is not depreciated.

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Property plants and equipment are eliminated from financial statement, either on disposal or when retired from active use. Profits/Losses arising in the case of retirement/disposal of property plant and equipment are recognized in the statement of profit and losses in the year of occurrence.

Leasehold Lands are amortized over period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

3.2 Intangible Assets:

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Computer software are capitalized at the amount paid to acquire the respective license for use and are amortized over period of useful lives. The assets useful lives are reviewed at each financial year end.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognized.

3.3 Leases:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet as a finance lease liability. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

3.4 Inventories:

In general, all inventories of finished, work-in-progress etc. are stated at lower of cost or net realizable value. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Raw materials & Stores and Spares are stated at cost on FIFO basis. Waste and by product are valued at net realizable value. Cost of finished products are determined at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal level of activities.

3.5 Cash and cash equivalents:

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.6 Impairment of assets:

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use).The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the statement of profit and loss. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.7 Financial instruments – initial recognition, subsequent measurement and impairment:

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

I) Financial assets - Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Financial assets - Subsequent measurement:

For the purpose of subsequent measurement of financial assets are classified in two broad categories:-

a) Financial assets at fair value

b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured **at amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

a) Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flow.

b) Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured **at fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

a) Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

b) Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

Financial assets - Equity Investment in subsidiaries, associates and joint venture:

The Company has accounted for its equity investment in subsidiaries, associates and joint venture at cost.

Financial assets - Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

a) The rights to receive cash flows from the asset have expired, or

b) The Company has transferred its rights to receive cash flow from the asset.

Impairment of financial assets

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

II) **Financial liabilities - Initial recognition and measurement:**
The financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities - Subsequent measurement:

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial Liabilities - Financial guarantee contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

Financial Liabilities - Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

3.8 Current and non-current classification:

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

b) Held primarily for the purpose of trading & manufacturing.

c) Expected to be realised within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is:

a) Expected to be settled in normal operating cycle,

b) Held primarily for the purpose of trading, & manufacturing.

c) Due to be settled within twelve months after the reporting period, or

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

3.9 Provisions, Contingent Liabilities, Contingent Assets and Commitments:

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

If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.10 Dividend Distribution:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

3.11 Sales & Purchase:

Revenue from sale of goods is recognized when significant risk and rewards of ownership of goods have passed to the buyer. Sales are recorded excluding GST net of return, rate difference and sales claim. Purchases are recorded excluding GST, net of return, rate differences and purchase claims.

3.12 Foreign Currency Reinstatement and translation:

Transactions denominated in foreign currency are normally recorded at the customs exchange rate prevailing at the time of transaction. Monetary Items denominated in foreign currencies at the yearend are restated at year end rates. Exchange difference relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of depreciable fixed asset is adjusted to the carrying cost of the fixed asset. All other exchange differences are dealt with in the Statement of Profit and Loss. Non monetary foreign currency items are carried at cost.

3.13 Borrowing Costs:

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalised during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

3.14 Export Incentives:

Benefit on account of entitlement of Duty Draw Back and others are recognized as and when right to receive is established as per the terms of the scheme.

3.15 Employee Benefit:

Short term employee benefits are recognised as an expense in the statement of profit and loss of the year in which the related services are rendered.

Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques based on Projected Unit Credit Method. Actuarial gain/losses in respect of post employment and other long term benefits are charged to Other Comprehensive Income (Net of Tax).

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

3.16 Taxation

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively

3.17 Earnings per share:

Basic earnings per share is computed using the 'net profit for the year attributable to the shareholders (Before and After Exceptional Items)' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the 'net profit for the year attributable to the shareholder (Before and After Exceptional Items)' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.18 Investments in Subsidiaries and Associates

The Company records the investments in Subsidiaries and Associates at cost less impairment loss, if any.

After initial recognition, the Company determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of investment in Associates and that event (or events) has an impact on the estimated future cash flows of the Subsidiaries and Associates that can be reliably estimated. If there exists such an objective evidence of impairment, then impairment loss is recognized with respect to the Company's investment in Subsidiaries and Associates.

3.19 Significant Accounting Judgements, Estimates and Assumptions:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Property, plant and equipment and Intangible Assets:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per Schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

Recognition of deferred tax assets:

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Fair value measurements and Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Defined benefits plan:

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

Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Provisions:

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31,2023
Note 04 - Property, Plant And Equipment & Capital Work-In-Progress

All Amounts are in INR (Laks) otherwise stated

Description	Leasehold Land	Freehold Land	Office Building	ROU Building	Factory Buildings	Plant & Machineries	Electric Installation	Equip-ments	Fire Fighting	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total	Software	Work in Progress
Gross carrying amount (at cost)																
As at 1st April 2022	**-**	**6.77**	**485.36**	**-**	**63.50**	**2,851.86**	**93.58**	**8.46**	**0.21**	**30.18**	**23.42**	**197.62**	**27.05**	**3,788.01**	**20.39**	**-**
Additions/Adjustments	-	-	-	-	-	-	-	-	-	-	1.71	-	-	1.71	-	-
Deductions/Impairments	-	-	283.46	-	-	251.37	-	-	-	-	-	15.25	-	550.09	0.15	-
Reversal of Assets classified as Held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2023	**-**	**6.77**	**201.89**	**-**	**63.50**	**2,600.49**	**93.58**	**8.46**	**0.21**	**30.18**	**25.13**	**182.37**	**27.05**	**3,239.64**	**20.39**	**-**
Accumulated depreciation																
As at 1st April 2022	**-**	**-**	**48.04**	**-**	**59.93**	**2,454.77**	**79.22**	**7.49**	**0.20**	**27.34**	**20.67**	**170.24**	**24.86**	**2,892.77**	**19.37**	**-**
Depreciation for the year	-	-	6.88	-	1.20	88.10	1.45	0.09	-	0.23	0.70	4.73	0.39	103.78	-	-
Deductions/Impairments	-	-	31.75	-	4.27	238.81	-	-	-	-	-	14.49	-	289.31	0.14	-
As at 31st March 2023	**-**	**-**	**23.18**	**-**	**56.86**	**2,304.06**	**80.67**	**7.58**	**0.20**	**27.57**	**21.37**	**160.48**	**25.25**	**2,707.24**	**19.37**	**-**
Net Carrying amount																
As at 31st March 2022	**-**	**6.77**	**437.31**	**-**	**3.57**	**397.09**	**14.36**	**0.97**	**0.01**	**2.84**	**2.75**	**27.38**	**2.19**	**895.24**	**1.02**	**-**
As at 31st March 2023	**-**	**6.77**	**178.71**	**-**	**6.64**	**296.42**	**12.91**	**0.88**	**0.01**	**2.60**	**3.76**	**21.89**	**1.80**	**532.40**	**1.02**	**-**

Notes
a) There is no immovable property where title deeds are not held in the name of the company
b) The company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or Intangible Assets during the year.

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31,2023
Note 5 - Non - Current Investments

All amounts are in INR (Lakhs) otherwise stated

Particulars	As at 31 March , 2023				As at 31 March, 2022			
	Extent of Holding (%)	No. of Shares/ Units	Face Value (Rs.) Unless otherwise stated	Rs.	Extent of Holding (%)	No. of Shares/ Units	Face Value (Rs.) Unless otherwise Stated	Rs.
In Equity Instruments:								
Unquoted Fully Paid -up								
Carried at Cost								
Subsidiary Company								
India Denim Limited	61.17	70,01,000	10	848.88	61.17	70,01,000	10	848.88
Associates								
Konark Infratech Private Limited	26.92	28,000	10	2.80	26.92	28,000	10	2.80
Others								
Silvassa Co-op. Society Limited		10	100	0.01		10	100	0.01
The City Co-op. Bank Ltd.		40	25	0.02		40	25	0.02
Quoted Fully Paid -up								
Carried at cost								
Sun Earth Ceramics limited		6,800	10	2.04		6,800	10	2.04
Total Equity Instruments				**853.75**				**853.75**
Less : Provision for dimunition in the value of Investments				850.92				850.92
Total				**2.83**				**2.83**

Particulars	As at 31 March , 2023	As at 31 March , 2022
Aggregate amount of quoted investments (Market value of NIL (Previous Year NIL) (Company has made the Provision in the Dimunition value of Such Investments)	2.04	2.04
Aggregate amount of unquoted investments. (Provision in dimunition in value made for Rs. 84888000/-)	851.71	851.71

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31, 2023

All amounts are in INR (Lakhs) Otherwise stated

6 Non-Current Financial Assets - Others

Particulars	As at March 31,2023	As at March 31,2022
Bank deposits with more than 12 months maturity	0.01	0.01
Security Deposits Govts & Other	54.63	54.86
Total	**54.64**	**54.87**

7 Deferred Tax Assets (Net)

Particulars	As at March 31,2023	As at March 31,2022
Tax effect of items constituting deferred tax assets		
Disallowance u/s 43B of I.T.Tax, 1961, Carry Forward of Losses and Impairment on financial assets	-	214.45
Tax effect of items constituting deferred tax liabilities		
Difference between book balance and tax balance of property, plant and equipment	-	136.90
Total	**-**	**77.54**

8 Inventories

Particulars	As at March 31,2023	As at March 31,2022
Raw Materials	24.18	41.54
Stores, Spares	18.80	27.21
Work in Progress	101.39	130.37
Finished Goods	181.21	149.71
Stock In Trade	1,166.06	1,494.69
Total	**1,491.64**	**1,843.52**

9 Current Financial Assets - Trade Receivables

Particulars	As at March 31,2023	As at March 31,2022
Undisputed Trade receivables		
(a) Unsecured, considered good;	669.09	376.38
(b) Having significant increase in Credit Risk	626.86	1,460.46
(c) Credit Impaired	220.92	222.17
	1,516.86	**2,059.01**

Less: Provision for Impairment		
(a) Unsecured considered good	-	-
(b) Having significant increase in Credit Risk	-	-
(c) Credit Impaired	220.92	222.17
	220.92	**222.17**
	1,295.95	**1,836.84**
Disputed Trade receivables		
(a) Unsecured, considered good;	-	-
(b) Having significant increase in Credit Risk	-	-
(c) Credit Impaired	-	-
	-	-
Less: Provision for Impairment		
(a) Unsecured, considered good;	-	-
(b) Having significant increase in Credit Risk	-	-
(c) Credit Impaired	-	-
	-	-
Total	**1,295.95**	**1,836.84**

Trade receivables ageing schedule as at 31st March,2023

Particulers	**Outstanding for following periods from due date of payments**					**Total**
	Less Than 6 Month	**6 Month -1 Year**	**1 – 2 Years**	**2-3 Years**	**More Than 3 Years**	
Undisputed Trade receivables						
(a) Unsecured, considered good;	619.01	3.21	-	-	-	622.22
(b) Having significant increase in Credit Risk	-	-	26.92	4.23	642.57	673.73
(c) Credit Impaired	-	-	-	-	220.92	220.92
	619.01	**3.21**	**26.92**	**4.23**	**863.49**	**1,516.86**
Less: Provision for Impairment						
(a) Unsecured considered good	-	-	-	-	-	-
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	220.92	220.92
	-	**-**	**-**	**-**	**220.92**	**220.92**
	619.01	**3.21**	**26.92**	**4.23**	**642.57**	**1,295.95**
Disputed Trade receivables						
(a) Unsecured, considered good;	-	-	-	-	-	
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**
Less: Provision for Impairment						
(a) Unsecured considered good	-	-	-	-	-	-
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**
Total	**6119.01**	**3.21**	**26.92**	**4.23**	**642.57**	**1,295.95**

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31, 2023

Trade receivables ageing schedule as at 31st March,2022 **All amounts are in INR (Lakhs) Otherwise stated**

Particulers	Outstanding for following periods from due date of payments					Total
	Less Than 6 Month	6 Month -1 Year	1 – 2 Years	2-3 Years	More Than 3 Years	
Undisputed Trade receivables						
(a) Unsecured, considered good;	366.11	10.27	-	-	-	376.38
(b) Having significant increase in Credit Risk	-	-	815.18	18.43	626.86	1460.46
(c) Credit Impaired	-	-	-	0.61	221.56	222.17
	366.11	**10.27**	**815.18**	**19.03**	**848.42**	**2059.01**
Less: Provision for Impairment						
(a) Unsecured considered good	-	-	-	-	-	-
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	0.61	221.56	222.17
	-	**-**	**-**	**0.61**	**221.56**	**222.17**
	366.11	**10.27**	**815.18**	**18.43**	**626.86**	**1836.84**
Disputed Trade receivables						
(a) Unsecured, considered good;	-	-	-	-	-	
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**
Less: Provision for Impairment						
(a) Unsecured considered good	-	-	-	-	-	-
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**
Total	**366.11**	**10.27**	**815.18**	**18.43**	**626.86**	**1836.84**

10 Current Financial Assets - Cash & cash equivalents

Particulars	As at March 31,2023	As at March 31,2022
Cash & Cash Equivalents		
Balance with banks;		
(i) Current Accounts	4.88	2.01
(ii) Dividend Accounts	-	-
Cash on hands	16.14	2.41
Total	**21.02**	**4.42**

11 Current Financial Assets - Loans

Particulars	As at March 31,2023	As at March 31,2022
Unsecured, considered good;		
- To Subsidiaries	56.97	56.97
- To Associate concern	752.31	678.98
- To employees	16.24	12.89
Total	**825.51**	**748.83**

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31, 2023

All amounts are in INR (Lakhs) Otherwise stated

12 Current Financial Assets -Other Assets

Particulars	As at March 31,2023	As at March 31,2022
Other Advances	76.00	76.00
Less: Provision for Impairment	76.00	76.00
Total	**-**	**-**

13 Current Tax Assets (Net)

Particulars	As at March 31,2023	As at March 31,2022
Advance Income Tax (Net of Provision)	114.58	111.31
Total	**114.58**	**111.31**

14 Other Current Assets

Particulars	As at March 31,2023	As at March 31,2022
Unsecured, Considered Good, unless otherwise stated:		
Receivable from Government Authorities	23.07	63.96
Prepaid Expenses	4.06	4.64
Advances to creditors	27.16	5.27
Interest Receivable	0.00	-
Other Current Assets	35.09	18.70
Total	**89.39**	**92.57**

15 Equity Share Capital

A) Authorized

Particulers	No of Shares	Amount
As at April 1, 2022	1,50,00,000	1,500.00
Changes during the year	-	-
As at March 31, 2023	**1,50,00,000**	**1,500.00**

Issued , subscribed and paid up share

	No of shares	Equity Share Capital par value
Equity Share Capital		
As at April 1, 2022	58,08,000	580.80
Changes during the year	-	-
As at March 31, 2023	**58,08,000**	**580.80**

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31, 2023

All amounts are in INR (Lakhs) Otherwise stated

Movement in Equity Share Capital

Paticulers	as on 31st March,2023		as on 31st March,2022	
	Number	Amount	Number	Amount
Equity Share Outstanding at the beginning of period	**58,08,000**	**580.80**	**58,08,000**	**580.80**
Add: Equity Share issued during the year	-	-	-	-
Less: Share bought back during the year	-	-	-	-
Equity Share Outstanding at the end of the period	**58,08,000**	**580.80**	**58,08,000**	**580.80**

C) Rights, preference and restrictions attached to the shares

Each holder of equity shares is entitled to one vote per share and ranks pari passu. In the event of liquidation of the Company, the holders ofequity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

D) Shareholders holding more than 5 percent of Equity Shares

Name of Shareholder	% holding in the class	As at March 31, 2023 No. of share held	As at March 31, 2022 No. of share held
Equity Shares of Rs. 10/- each			
Rakadevi Dalmia	17.36%	10.08	10.08
Kayo Investment And Finance Pvt. Ltd	14.75%	8.57	8.57
Fillmore Trading & Investments Pvt. Ltd.	14.46%	8.40	8.40
Prakashchand Dalmia (HUF)	5.80%	3.37	3.37
Shonit Dalmia	19.40%	11.26	0.26

As per records of company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares

E) The Company has neither issued equity shares pursuant to contract without payment being received in cash nor any bonus shares in the current year and five years immediately preceding the balance sheet date.

F) Shares held by Promoter's

Name of Proamters Equity Shares of Rs. 10/- each	% Holding in the	As at March 31, 2023 No. of share held	% Change during the year	% holding in the class	As at March 31, 2022 No. of share held	% Change during the year
Rakadevi Dalmia	17.36%	10.08	-	17.36%	10.08	-
Kayo Investment And Finance Pvt. Ltd	14.75%	8.57	-	14.75%	8.57	-
Fillmore Trading & Investments Pvt. Ltd.	14.46%	8.40	-	14.46%	8.40	-
Prakashchand Dalmia (HUF)	5.80%	3.37	-	5.80%	3.37	-
Shonit Dalmia	19.40%	11.26	-	19.40%	11.26	-
Prakashchand Dalmia	0.99%	0.58	-	0.99%	0.58	-
Amitabh Kejriwal	1.17%	0.68	-	1.17%	0.68	-
Smita R Kejriwal	1.05%	0.61	-	1.05%	0.61	-
Shikha Dalmia	0.01%	0.01	-	0.01%	0.01	-
		43.55			**43.55**	-

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31, 2023

All amounts are in INR (Lakhs) Otherwise stated

16 Other Equity

Particulars	Capital Redemption Reserve	Securities Premium account	Capital Incentive Subsidy	General Reserve	Retained Earnings	Total
Balance as at 1st April, 2022	40.00	683.57	25.00	597.51	(756.32)	587.76
Add : Profit /(Loss) for the year	-	-	-	-	(873.11)	(873.11)
Add : Other Comprehensive Income for the year	-	-	-	-	8.03	8.03
Add : Prior Period Adjustment	-	-	-	-	(12.07)	(12.07)
Balance as at 31st March 2023	**40.00**	**683.57**	**25.00**	**597.51**	**(1,633.46)**	**(289.38)**

17 Non-Current Financial Liabilities - Borrowings

Particulars	As at March 31,2023	As at March 31,2022
Borrowings		
a) Secured Loan - Term Loan		
(i) from Banks		
Loan against Flat	-	-
Loan Against Property	532.98	512.68
Vehicle Loans (Against Motor Cars)	-	-
(ii) from Other		
Loan Against Property	153.85	335.51
Vehicle Loans (Against Motor Cars)	-	-
b) Unsecured Loan		
Loan From Related Parties	-	-
Other	-	-
Total	**686.83**	**848.19**

Secured Loans-Term Loans:

(a) The loan of Rs. 647.58 Lacs (P.Y. 590.00 Lac) including Current Maturities of Long Term Borrowings under note no. 19 from IDBI Bank Ltd is secured against the flat of Shri Amitabh Kejriwal-Director, situated at Flat No. 101, Santusthi, Janki Kutir, Juhu Ville Parle, Juhu, Mumbai - 400049. The loan was also guaranteed as co-applicants by Directors Mr. Amitabh Kejriwal and Mr. Shonit Dalmia. Terms of Payment is 180 EMI of Rs. 845328/- including interest @10.15% p.a. floating

b) Loan of Rs. 160.67 Lacs (P.Y. 245.59 Lacs) including Current Maturities of Long Term Borrowings under Note No. 19 is secured against Property from PNB Housing Finance Limited against Shop No. 6 and 11 situated at Skylark Building, Plot No. 63, Sector -11, CBD Belapur, Navi-Mumbai - 400614 on the term i.e 180 EMI of Rs. 3.41Lac and interest rate is 11.97% p.a floating , The loan was also guaranteed as co-applicants by Mr. Prakashchand Dalmia, Mr. Amitabh Kejriwal, Mr. Shonit Dalmia, Mrs. Rakadevi Dalmia, Prakashchand Dalmia HUF and M/s Kayo Investments & Finance Pvt. Ltd.

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31, 2023

All amounts are in INR (Lakhs) Otherwise stated

18. Provisions

Particulars	As at March 31,2023	As at March 31,2022
Provisions		
Provisions for Employee Benefits		
- Provision For Gratuity	33.29	38.87
Total	**33.29**	**38.87**

19 Current Financial Liabilities - Borrowings

Particulars	As at March 31,2023	As at March 31,2022
a) Loans repayable on demands		
(i) Secured -		
From Banks		
- Loan	-	-
- Cash credit	1,353.36	1,349.26
(ii) Current maturities of long-term debts		
- Secured Loans	121.42	88.11
- Vehicle Loans	-	4.41
(ii) Unsecured -		
Loans from Related Parties	783.95	761.76
Total	**2,258.72**	**2,203.55**

Secured Loans Cash credit of Rs. 13.50 Crores has been sanctioned by Corporation Bank against paripassu first charge on inventory and book debts of the Company with margin of 25% on Stock and 40% on Book Debts; at interest rate of Base Rate + 4.00%.

Unsecured Loans- Loans from related parties is from Konark Realtech Private Limited and is payable on demand

20 Current Financial Liabilities - Trade Payables

Particulars	As at March 31,2023	As at March 31,2022
(ii) Bills Payable Under Letter of Credit From Banks	-	-
(ii) Trade Payables		
a) Total outstanding dues of Micro and small enterprises	11.02	12.62
b) Total outstanding dues of trade payable other than Micro and small enterprises	941.23	1,188.98
c) Other	0.16	3.03
Total	**952.40**	**1,204.62**

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31, 2023

Trade Payables ageing schedule: As at 31st March,2023 **All amounts are in INR (Lakhs) Otherwise stated**

Particulers	Outstanding for following periods from due date of payments				
	Less Than 1 Year	1-2 Year	2 – 3 Years	More Than 3 Years	Total
(i) MSME	8.92	0.51	0.21	1.38	11.02
(ii) Other	841.12	19.56	18.70	62.00	941.39
(iii) Disputed Dues – MSME	-	-	-	-	-
(iv) Disputed Dues - Other	-	-	-	-	-
	850.04	**20.07**	**18.92**	**63.38**	**952.40**

Trade Payables ageing schedule: As at 31st March,2022

Particulers	Outstanding for following periods from due date of payments				
	Less Than 1 Year	1-2 Year	2 – 3 Years	More Than 3 Years	Total
(i) MSME	4.16	1.59	6.87	-	12.62
(ii) Other	1043.83	45.12	20.07	79.94	1188.98
(iii) Disputed Dues – MSME	-	-	-	-	-
(iv) Disputed Dues - Other	-	-	-	-	-
	1048.00	**46.71**	**26.94**	**79.94**	**1201.59**

21 Current Financial Liabilities - Other Liabilities

Particulars	As at March 31,2023	As at March 31,2022
Other Financial Liabilities		
b) Interest accrued but not due on borrowings	6.59	48.43
c) Interest accrued and due on borrowings	-	0.11
d) Liability for expenses	29.23	13.18
e) Advance from Customer	2.85	24.46
f) Advance against Property	25.00	-
Total	**63.66**	**86.17**

22 Other Current Liabilities

Particulars	As at March 31,2023	As at March 31,2022
a) Advance Received against Sale of Land and Building	-	-
b) Others		
i) Duties and Taxes	9.02	6.49
ii) Payable-ESIC, PF & Prof. Tax etc.	25.40	25.39
iii) Payable-Employee	105.50	84.35
Total	**139.92**	**116.23**

23 Provisions

Particulars	As at March 31,2023	As at March 31,2022
Provision		
Provisions for Employee Benefits		
Gratuity	0.72	0.80
Total	**0.72**	**0.80**

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31, 2023

All amounts are in INR (Lakhs) Otherwise stated

Sr. No.	Particulars	For the Period ended 31.03.2023	For the Period ended 31.03.2022
24	**Revenue From Operations**		
	Sales		
	Sale of Products	4,736.37	4,009.76
	Other Operating Revenue	-	-
	Total	**4,736.37**	**4,009.76**
25	**Other Income**		
	Interest Income	84.44	75.80
	Foreign Exchange Fluctuation Gain	-	0.03
	Profit on sale of Investment	-	111.87
	Others*	18.84	71.60
	Total	**103.28**	**259.30**
	*Others includes Sundry Balance W/off		
26	**Cost of Materials Consumed**		
	Raw Material Consumed		
	Opening Stock	41.54	28.88
	Add : Purchases		
	Yarns	1,198.45	903.28
		1,239.99	932.17
	Less: Closing Stock	24.18	41.54
	Total	**1,215.82**	**890.63**
27	**Changes In Inventories Of Finished Goods, Work In Progress And Stock In Trade**		
	Opening Stock – Process	130.37	207.13
	Opening Stock – Finished	1,644.40	920.35
	Total – A	1,774.77	1,127.48
	Closing Stock – Process	101.39	130.37
	Closing Stock - Finished	1,347.27	1,644.40
	Total – B	1,448.66	1,774.77
	(Increase) / Decrease in Stocks **Total - A-B**	**326.11**	**(647.30)**

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31, 2023

All amounts are in INR (Lakhs) Otherwise stated

Sr. No.	Particulars	For the year ended 31.03.2023 Amount (Rs.)	For the year ended 31.03.2022 Amount (Rs.)
28	**Employee Benefits Expsnses**		
	Salaries, Wages, Bonus & Other Allowance	143.91	131.24
	Gratuity	5.20	5.99
	Contribution to Provident Funds & ESIC	1.65	1.55
	Staff Welfare Expenses	3.70	2.42
	Total	154.45	141.19

The disclosures required under Indian Accounting Standard 19 "Employee Benefits" are given below :

A.	Defined Contribution Plan	2022-2023	2021-2022
	Contribution to Defined Contribution Plan, recognized as expense for the years are as under:		
	Employer's Contribution to Provident Fund	1.60	1.51
	Employer's Contribution to ESI Scheme	0.05	0.04

The contribution to provident fund is made to Employees' Provident Fund managed by Provident Fund Commissioner. The contribution towards ESIC made to Employees' State Insurance Corporation. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

B. Defined Benefit Plan

The present value of Employees' Gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to buildup the final obligation.

		Gratuity (Non Funded)	
		As at 31st March, 2023	**As at 31st March, 2022**
a.	**Movement in present value of defined benefit obligation**		
	Obligation at beginning of the year	39.67	52.32
	Current Service Cost	2.62	2.57
	Interest Cost	2.58	3.41
	Actuarial (gain)/loss	(10.86)	(17.57)
	Benefits paid	-	(1.07)
	Obligation at the end of year	34.01	39.67
b.	**Reconciliation of fair value of assets and obligations**		
	Fair value of plan assets at year end	-	-
	Present value of obligation at year end	34.01	39.67
	Amount recognised in Balance Sheet		
-	**Current**	**0.72**	**0.80**
-	**Non- Current**	**33.29**	**38.87**

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31, 2023

All amounts are in INR (Lakhs) Otherwise stated

c.	Expenses recognized during the year	year ended 31st March, 2023	year ended 31st March, 2022
	Current Service Cost	2.62	2.57
	Interest Cost	2.58	3.41
	Expected return on plan assets	-	-
	Actuarial (gain) / loss	(10.86)	(13.43)
	Net Cost	**(5.65)**	**(7.44)**

d.	Actuarial assumptions	year ended 31st March, 2023	year ended 31st March, 2022
	Mortality Table (L.I.C.)	IALM 2006-08 (Ultimate)	IALM 2006-08 (Ultimate)
	Rate of Interest (per annum)	7.45	6.80
	Salary growth Rate (per annum)	5.50	5.50
	Withdrawal Rate	1.00	1.00

The estimated future salary increases takes into account inflation, seniority, promotion and other retirement factors including supply and demand in the employment market. The above information is certified by the actuary.

29.Finance Cost

Interest Expense	329.50	266.28
Other Borrowing Cost	8.26	4.82
TOTAL	**337.76**	**271.10**

Particulars	**For the Period ended 31.03.2023**	**For the Period ended 31.03.2022**
	Amount (Rs.)	**Amount (Rs.)**
30.Other Expenses		
Manufacturing Expenses		
Power & Fuel	172.54	119.93
Stores and Spares Consumed	123.20	103.87
Repairs to Plant & Machinery	-	-
Repair & Maintainance - Other (At Plants)	2.85	3.14
Repairs to Factory Building	3.59	0.37
Security Charges	5.99	6.00
Labour Charges	57.48	56.09
Job work Charges	0.10	3.06
Freight, Octroi & Cartage	1.74	1.90
Other Manufacturing Expenses	0.66	1.50
Total – A	**368.14**	**295.85**

Konark Synthetic Limited
Notes to Standalone Financial Statements for the year ended March 31, 2023

All amounts are in INR (Lakhs) Otherwise stated

Particulars		For the Period ended 31.03.2023	For the Period ended 31.03.2022
(B)	**Administrative & General Expenses**		
	Advetisement & Publicity	1.11	2.85
	Bank Charges	0.57	0.78
	Conveyance Expenses	2.81	3.24
	Electricity	2.29	1.79
	Filling Fees	0.41	0.26
	Insurance	3.89	4.08
	Membership & Subscription	3.85	3.73
	General Expenses	3.91	4.71
	GST Demand	0.70	-
	Interest/Penalty	1.40	4.76
	Professional Fees/ Legal Expenses	13.20	8.76
	Printing & Stationary	1.09	0.78
	Rent,Rates,Fees & Taxes	12.32	2.56
	Repairs & Maintanance (Others)	8.98	3.97
	Postage & Telegrame	0.90	1.26
	Stamp & Hundi Papers	-	0.04
	Sundry Balance W/Back	-	-
	Telephone	2.02	1.76
	Travelling	6.30	2.45
	Vehicle Expenses	11.46	5.73
	Auditors Remuneration:		
	- For Statutory Audit	3.00	3.00
	- For Tax Audit	-	-
	- For Certification & Review	0.75	0.75
	- Others	-	-
	Total - B	**80.92**	**57.27**
(C)	**Selling & Distribution Expenses**		
	Marketing Expenses & Brokerage	11.54	11.09
	Outward Freight & Octroi		
	Freight Charges	17.59	12.56
	Claim and Discount on Sales	-	-
	Sales Promotion Expenses	3.19	1.53
	Sample & Development Expenses	1.71	4.30
	Total - C	34.02	29.47
	Total (A+B+C)	**483.08**	**382.60**

KONARK SYNTHETIC LIMITED
Notes to Standalone Financial Statements for the year ended March 31, 2023

31. The Company is operating in single segment i.e. Textiles and thus there is no reportable segments as per Indian Accounting Standard (Ind AS) 108 "Operating Segment". There is no reportable geographical segment either.

32. As per Indian Accounting Standard 24 “Related Party Disclosures”, the disclosure of Related Parties and transactions with them are given below:

A. List of related parties and nature of relationship

i) Subsidiaries and Fellow Subsidiaries:

India Denim Limited – Subsidiary
Konark Infratech Private Limited – Associates
Konark Gujarat PV Private Limited – Subsidiary of Konark Infratech Private Limited

ii) Individual having significant influence:

Smt. Raka Devi Dalmia – Share Holder

iii) Key Managerial Personnel (KMP) and Relative:

Mr. Shonit Dalmia – Managing Director
Mr. Amitabh Kejriwal – Managing Director (Resigned as on 24th June. 2022)
Mr. R.B. Somany – Chief Financial Officer
Mr. Indrajit Kanase - Company Secretary
Ms. Shikha Dalmia – Relative of Director
Ms. Smita Kejriwal – Relative of Director
Ms. Namarta Dalmia – Relative of Director

(iv) Enterprise over which Key Management Personnel are able to exercise significant influence:

M/s Konark Silk Mills
M/s Konark Realtech Private Limited

B) Transactions with Related Parties:

Figures in bracket belongs to previous year

Particulars	Subsidiaries and Fellow Subsidiaries/ Associates	Individual having significant influence	KMP and Relatives of KMPs	Enterprise over which KMP have significant influence	Total
Remuneration & Perquisites	-	-	15.74 (10.26)	-	15.74 (10.26)
Salary	-	-	30.30 (29.02)	-	30.30 (29.02)
Rent Expenses	-	-	-	1.08 (1.08)	1.08 (1.08)
Loan Taken	-	-	-	243.31 (826.76)	243.31 (826.76)
Loan Repaid				221.13 (1113.83)	221.13 (1113.83)
Interest Income	81.48 (73.54)	-	-	-	81.48 (73.54)

C) Disclosures of material transactions with Related Parties as mentioned above:

Particular	2022 – 2023	2021 – 2022
Managerial Remuneration & Perquisites		
Amitabh Kejriwal	2.24	10.26
Shonit Dalmia	13.50	-

Salary Paid		
R.B. Somany	13.80	12.00
Shikha Mishra	-	2.44
Indrajit Kanase	4.50	-
Sikha Dalmia	6.00	6.00
Smita Kejriwal	-	2.58
Namrata Dalmia	6.00	6.00
Rent Paid		
Konark Silk Mills	1.08	1.08
Loans Taken		
Konark Realtech Pvt. Ltd.	243.31	826.76
Loans Repaid		
Konark Realtech Pvt. Ltd.	221.13	1113.83
Interest Income		
Konark Infratech Pvt. Ltd	81.48	73.54

D) Balances with the Related Parties as at 31st March, 2023

Particulars	Subsidiaries Associates and Fellow Subsidiaries	Individual having significant influence	KMP and Relatives of KMPs	Enterprise over which KMPs have significant influence	Total
Remuneration & Perquisites	-	-	12.63 (0.85)	-	12.63 (0.85)
Salary	-	-	19.09 (10.85)	-	19.09 (10.85)
Rent Expenses	-	- -	-	0.16 (3.03)	0.16 (3.03)
Loan Taken	-	-	-	783.95 (761.76)	783.95 (761.76)
Loan Given	678.98 (678.98)	-	-	-	678.98 (678.98)
Investments in Equity Shares	851.68 (851.68)	-	-	-	851.68 (851.68)
Guarantee Given	7306.00 (7306.00)	-	-	-	7306.00 (7306.00)

33. Earning Per Share (EPS):

Particulars	2022-23	2021-22
a) Basic earnings per share (After Exceptional Items) (In Lacs.)		
Profit attributable to the equity holders of the company (After Exceptional Items)	(873.11)	(44.74)
Weighted average number of equity shares used as the denominator	58.08	58.08
Basic Earnings Per Share (After Exceptional Items)	**(15.03)**	**(0.77)**
b) Basic earnings per share (Before Exceptional Items) (In Lacs.)		
Profit attributable to the equity holders of the company (Before Exceptional Items)	(68.12)	74.88
Weighted average number of equity shares used as the denominator	58.08	58.08
Basic Earnings Per Share (Before Exceptional Items)	**(1.17)**	**1.29**
c) Diluted earnings per share (After Exceptional Items) (In Lacs)		
Profit attributable to the equity holders of the company (After Exceptional Items)	(873.11)	(44.74)
Weighted average number of equity shares used as the denominator	58.08	58.08

Diluted Earnings Per Share (After Exceptional Items)	**(15.03)**	**(0.77)**
d) Diluted earnings per share (Before Exceptional Items) (In Lacs.)		
Profit attributable to the equity holders of the company (Before Exceptional Items)	(68.12)	(1035.53)
Weighted average number of equity shares used as the denominator	58.08	58.08
Diluted Earnings Per Share (Before Exceptional Items)	**(1.17)**	**(17.83)**

34. Breakup of Net Deferred Tax Expenses Provided:

Particulars	**2022-23**	**2021-22**
A. Deferred Tax Liability (DTL)		
Difference between book balance and tax balance of property, plant and equipment	(136.90)	(23.03)
Total DTL	**(136.90)**	**(23.03)**
B. Deferred Tax Assets (DTA)		
Credit under u/s 43B & 40(a)	29.43	10.38
Carry forwarded losses	185.01	1.90
Difference due to rate of Income Tax	-	-
Total DTA	**214.44**	**12.28**
Net Deferred Tax Liability	**77.54**	**(10.75)**

35. Contingent Liability/ Capital Commitments

The Bankers of the Company have given Guarantees to various Government Authorities amounting to Rs.1.50 Lac (P.Y. Rs.1.50 Lac) for which the Company has given counter guarantee and margin money in form of fixed deposit/current account to the bankers amounting to Rs.1.50 Lac (P.Y. Rs. 1.50 Lac).

The Company has given a Corporate Guarantee of Rs.2706.00 Lacs (P.Y. Rs.2706.00 Lacs) to the bankers of its subsidiary company namely India Denim Limited and a Corporate Guarantee of Rs.4600.00 Lacs (P.Y. Rs.4600.00 Lacs) to the bankers of its Associate Company' subsidiary company namely Konark Gujarat PV Private Limited against Term Loan and Working Capital Facilities sanctioned to the said companies.

The company has no capital and other commitments as on the Balance Sheet date.

The above contingent liability includes corporate guarantee of Rs.2706.00 Lacs in respect of loan availed by its subsidiary company M/s. India Denim Limited. The accounts of the said subsidiary have been classified as NPA by the bankers of the company. The legal proceeding regarding the said matter when ultimately concluded, will have a material impact on financial position of the Company.

36. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the Balance Sheet realizable in the ordinary course of business. Trade Receivables, Trade Payables & Advances are subject to confirmation and / or reconciliation with parties.

37. Additional information as per Revised Schedule III:

Raw Material Consumed:

Particulars	**Consumption**
Yarn	1,215.82 (890.63)
Total	**1,215.82** **(890.63)**

Raw Material Purchased

Particulars	**Purchases**
Yarn	1,198.45 (903.29)

Total	**1,198.45** **(903.29)**

Manufactured Goods, Sales Value, Closing Inventory and Opening Inventory:

Particulars	Sales Value	Closing Inventory	Opening nventory
Manufactured Goods			
Yarn	2,117.12 (1,652.63)	181.21 (149.71)	149.71 (132.34)
Total	2,117.12 (1,652.63)	181.21 (149.71)	149.71 (132.34)
Traded Goods			
Fabric	2,619.25 (2,357.13)	1,160.05 (1,494.69)	1,494.69 (788.01)
Total	2,619.25 (2,357.13)	1,160.05 (1,494.69)	1,494.69 (788.01)

Work in Process

Particulars	Work in Process 2022-2023	Work in Process 2021-2022
Yarn	101.39	130.37
Total	101.39	130.37

38. Auditors Remuneration:

Particulars	2022–23	2021–22
Statutory Audit Fees	3.00	3.00
Tax Audit Fees	-	-
For Certification & Review	0.75	0.75
For Others	-	-
Total	**3.75**	**3.75**

39. As on the Balance Sheet date, the Company does not have any Foreign Currency Exposure. Disclosure in respect to hedging of Foreign Currency by a derivative instrument or otherwise thereof is not applicable.

40. CIF Value of Imports:

Particulars	2022-23	2021-22
Stores & Spares	-	2.83
Total	**-**	**2.83**

41. Disclosure pursuant to Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 186 of the Company Act, 2013:

A. Details of investments made are given in note 5

B. Details of loans given by the Company in accordance with Section 186 of the Act read with rules issued thereunder are as follows (the previous year figures are shown in brackets):

Name of the Company	Amount Outstanding 31st March, 2023	Maximum Outstanding during the Year
India Denim Limited	56.97 (56.97)	56.97 (56.97)
Konark Infratech Pvt. Ltd.	752.30 (678.98)	752.30 (678.98)

Loans & Advances shown above fall under the category of Short-Term Loans and the same are in nature of Loans and are repayable on demand. The loan of Konark Infratech Pvt. Ltd. is interest bearing.

C. Details of guarantees issued by the Company are as follows:

Guarantees outstanding, given on behalf of	Purpose	Amount Outstanding 31st March, 2023
India Denim Limited	Against Bank Borrowings	2706.00 (2706.00)
Konark Gujarat PV Private Limited	Against Bank Borrowings	4600.00 (4600.00)

42. Disclosures regarding Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties:

A. Loans repayable on Demand

Type of Borrower	Amount of loan or advance in the nature of loan outstanding as on March 31, 2023	Percentage to the total Loan and Advances in the nature of loans
Related Parties	809.27	100.00%

43. Key Financial Ratios

Sn	Particulars	As at 31st March 2023	As at 31st March 2022	Deviation	Reason for deviation (more than 25%)
1	Current ratio (in times)	1.12	1.28	-12.49%	Not Applicable
2	Debt equity ratio (in times)	10.04	2.61	-285.06%	Due to decrease in equity due to increase in loss during the current year
3	Debt service coverage ratio (in times)	-15.00	15.05	-199.68%	Due to increase in loss during the current year
4	Return on equity ratio (in %)	-118.18%	-2.67%	-4320.41%	Due to increase in loss during the current year due to exceptional items
5	Inventory turnover ratio (in times)	2.26	2.09	-8.13%	Not Applicable
6	Trade receivables turnover ratio (in times)	3.02	2.00	51.46%	Decrease in Trade Receivables due to Bad

					Debts and Impairment Provision
7	Trade payables turnover ratio (in times)	3.18	3.52	9.70%	Not Applicable
8	Net capital turnover ratio (in times)	6.54	4.82	35.75%	Decrease in Working Capital due to decrease in Trade Receivables
9	Net profit ratio (in %)	-18.43%	-1.12%	-1552.12%	Due to increase in loss during the current year due to exceptional items
10	Return on capital employed ratio (in %)	-29.94%	10.03%	-398.40%	Due to increase in loss during the current year due to exceptional items
11	Return on investment ratio (in %)	-	-	-	NA

Details of numerator and denominator taken for calculation of above ratio

Sn	Particulars	Numerator Taken in above formula	Denominator Taken in above formula
1	Current ratio (in times)	Current Assets	Current Liabilities
2	Debt equity ratio (in times)	Short term debts + Long term debts	Total Shareholders' equity
3	Debt service coverage ratio (in times)	Earnings before depreciation & amortisation, interest and taxes	Debt Service
4	Return on equity ratio (in %)	Profit for the Period	Avg. Shareholders' Equity
5	Inventory turnover ratio (in times)	Cost of Goods sold	Average Inventory
6	Trade receivables turnover ratio (in times)	Net Credit Sales	Average Accounts Receivable
7	Trade payables turnover ratio (in times)	Total Purchase	Average Accounts Payable
8	Net capital turnover ratio (in times)	Net Sales	Average Working Capital
9	Net profit ratio (in %)	Net Profit After Tax	Revenue from operations
10	Return on capital employed ratio (in %)	Earnings before Interest and Taxes	Average Capital Employed
11	Return on investment ratio (in %)	Return/Profit/Earnings	Investment

44. Summary of reconciliation of Statement of Current assets filed with the bank or financial institution:

(Rupees in Lakhs)

Quarter Ended on	Amount of Current Assets as filed with the Bank (A)	Amount of Current Assets as per Books (B)	Difference, if Any (A-B)	Reason for Discrepancies, if any
June, 2022	4,163.56	4,143.85	**19.71**	The quarterly statements were submitted to bank based on the Cost method of stock valuation whereas, during the quarterly review/audit the stock was valued at lower of Cost or Net Realizable Value
September, 2022	4,059.02	3,935.66	**123.36**	
December, 2022	3,991.88	3,853.06	**138.82**	
March, 2023	3,887.68	3,008.50	**879.18**	

45. Registration or Satisfaction of Charges pending with Registrar of Companies (ROC) beyond the statutory period:

Asset under charge	Name of Charge Holder	Creation or Satisfaction	Amount in Lakhs	Reason of non-registration or satisfaction of charge
Corporate Guarantee for Konark Gujarat PV Private Limited	L & T Infrastructure Finance Co. Ltd	Creation	4,600.00	As per the banker, Corporate Guarantee given in case of borrowing is contingent in nature and does not amount to a charge. Hence charge not created by banker.
Corporate Guarantee for India Denim Ltd	Bank of Baroda, State Bank of India and Indian Bank	Creation	2,706.00	As per the banker, Corporate Guarantee given in case of borrowing is contingent in nature and does not amount to a charge. Hence charge not created by banker.
Vehicles	Kotak Mahindra Prime Ltd	Satisfaction	18.87	Satisfaction of charges is pending.
Vehicles	HDFC Bank Ltd	Satisfaction	7.95	Satisfaction of charges is pending.
Vehicles	Tata Capital Financial Services Ltd	Satisfaction	27.79	Satisfaction of charges is pending.
Vehicles	Tata Capital Financial Services Ltd	Satisfaction	39.20	Satisfaction of charges is pending.
Immovable Property	PNB Housing Finance Ltd	Satisfaction	104.00	Satisfaction of charges is pending.
Property	ICICI Bank Ltd	Satisfaction	576.00	Satisfaction of charges is pending.

46. Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

47. The Financial Statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013. Previous year figures have been regrouped / rearranged wherever necessary to make them comparable with those of the Current Year.

As per our reports of even date attached

For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm Registration No: 113675W
(CA Priteesh Jitendra Jain)
Partner
Membership No.164931
Place : Mumbai
Date : 30th May, 2023

For and on behalf of the Board

Shonit Dalmia
Managing Director

Anshul Agrawal
Director

Indrajit Kanase
Company Secretary & Compliance officer

R.B. Somany
Chief Finance Officer

INDEPENDENT AUDITOR'S REPORT

To the members of **KONARK SYNTHETIC LIMITED**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of KONARK SYNTHETIC LTD ("the Holding Company"), its subsidiaries (the Holding company and its subsidiaries together referred to as "the Group") its associates Comprising of Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to consolidated financial statement, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries and associates the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 As amended("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at March 31, 2023, its consolidated Loss (including other comprehensive income), its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the Subsidiaries and Associates audited and, in doing so, place reliance on the work of the other auditors and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the Subsidiary is traced from the financial statements audited by the other auditors.

Based on the work we have performed, if we conclude that there is any material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the Ind AS and other accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provision of the act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due

to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the directors of the holding company, as aforesaid.

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

The respective board of directors of the companies included in the group and of its associates are also responsible for overseeing the financial reporting process of the group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements:

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Holding 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 ability of the group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.

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

- Obtain Sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, Supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further prescribed in section titled 'Other Matters' to this audit report.

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

  We communicate with those charged with governance of holding company and such other entities included in consolidated financial statement of which we are independent auditor regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters:

We did not audit the financial statements and other financial information, in respect of a subsidiary whose financial statements include total assets of Rs.1391.29 Lacs as at March 31, 2023 and total revenues of NIL, Net loss of Rs.321.74 Lacs, Other Compressive Income of Rs. NIL and net cash flow of Rs.NIL for the year ended on that date and financial statements and other information of an associate which reflects group' share of net loss of Rs. 30.04 lacs for the year ended March 31, 2023, whose financial statements and other financial information have been audited by other auditors. These financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub section (3) of section 143 of the act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of such other auditors. Our opinion on the consolidated financial statements, and our report on the other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

We would like to draw attention to the following matters included in the standalone financial statements of the subsidiary company India Denim limited and related notes to accounts and considering the same we report as under:

a) During the year the company has not recognized Deferred Tax Assets on losses due to uncertainty of future profit but the Company has continued to carry old deferred tax asset recognized in earlier year amounting to Rs 203.20 Lakhs. This, in our opinion is not in accordance with the Ind AS 12 "Income Taxes" which requires that each year the Deferred Tax Asset and Liabilities shall be reviewed.

b) The Company has not accounted for interest on the secured loans.

c) The Gratuity and Other retirement benefits are recorded on cash basis. This, in our opinion is not in accordance with the Ind AS 19 "Employee Benefits" which requires that each year the provision for Gratuity and other retirement benefits is to be made.

Statutory auditor of the subsidiary company has not qualified their report in respect of the above matters and accordingly, our opinion is not modified considering our reliance on the work done and the report of the auditor of subsidiary company.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statement and other financial information of subsidiaries and associates as noted in the other matter paragraph we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Statement of Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow and notes to the consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of Consolidated Financial Statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules,2015, as amended except Ind AS 12 "Income Taxes" and Ind AS 19 "Employee Benefits" as mentioned in other matter paragraph.

e) On the basis of the written representations received from the directors of holding company as on March 31, 2023 taken on record by the Board of Directors of Holding company and report of statutory auditors of its subsidiaries and associates, none of the directors of group company are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy and operating effectiveness of the Internal financial controls over financial reporting with reference to these consolidated financial statements of the holding company and its subsidiaries and associates, refer to our separate report in **"Annexure A"** to this report.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our Opinion and based on the consideration of reports of other statutory auditors of subsidiaries and associates incorporated in India the Managerial Remuneration for the year ended March 31, 2023 has been paid/provided by the Holding company, subsidiaries and associates to its directors in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries and associates as noted in other matters paragraph:

i. Note 35 of the Consolidated financial statements disclose the impact of pending litigations on its financial position of the group and its associate in consolidated financial statements.

ii. Provisions has been made in consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. No amount was required to be transferred, to the Investor Education and Protection Fund by the Holding company, subsidiary and its associate.

iv. (a) The respective Managements of the Company, its subsidiaries and associates , have represented that, to the best of their 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 or any of the subsidiaries or associates to or in any other person or entity, including foreign entity (''Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shal1, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Company, its subsidiaries and associates, has represented that, to the best of their knowledge and belief no funds (which are material either individually or in the aggregate) have been received by the Company or any of the subsidiaries or associates from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of the subsidiaries or associates shall, whether, directly or indirectly, lend or invest in other persons or entities identified in my 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 performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. Since the Holding Company has not declared or paid any dividend during the year, the question of commenting on whether the same is in accordance with Section 123 of the Companies Act, 2013 does not arise.

2. With respect to the matters specified in clause (xxi) of paragraph and paragraph 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us and the auditors of respective companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report the following qualifications or adverse remarks in these CARO reports of the said respective companies included in the consolidated financial statements:

A. In case of the Holding Company with respect to its Standalone Financial Statements:

i. Refer Clause (ii)(b) in respect of discrepancies between Value of Current assets as per Quarterly Statement filed with the bank and as per books of accounts.

ii. Refer Clause (iv) in respect of non-compliance with provisions of section 185 and 186 of companies Act, 2013.

iii. Refer Clause (vii) (a) & (vii) (b) in respect of irregularities in payment of statutory dues.

iv. Refer Clause (ix) (a) in respect of default in repayment of dues in respect of liability towards term loans with banks and financial institutions.

v. Refer Clause (xix) in respect of Company's capability 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.

B. In case of the Subsidiary Company India Denim Limited, with respect to its Standalone Financial Statements:

i. Refer Clause (vii) (a) & (vii) (b) in respect of irregularities in payment of statutory dues in respect of Income Tax of Rs.3.12 Lakhs.

ii. Refer Clause (ix) (a) in respect of default in repayment of dues in respect of liability towards loans from banks or financial institutions.

The statutory auditors of the respective company in their auditor' report has not given the details about whether the company has defaulted in repayment of dues in respect of liability towards banks or financial institution.

In this regard, based on the documents and information available with us, we are of the opinion that the company has defaulted in repayment of dues in respect of liability towards banks or financial institution considering the fact that the all the secured loans of the company have been classified as NPA by the bankers in the year FY 2016-17 and FY 2017-18. In the absence of detailed information, we are unable to quantify the default amount and period of default for the same.

iii. Refer Clause (xvii) wherein the company has incurred cash losses of Rs. 321.75 Lakhs in the current financial year and Rs.349.22 Lakhs in the immediately preceding financial year.

C. In case of the Associate Company Konark Infratech Private Limited, with respect to its Standalone Financial Statements:

i. Refer Clause (vii) (a) in respect of statutory dues in respect of TDS on Interest of Rs.49.02 Lakhs outstanding for more than six months as on March 31, 2023.

ii. Refer Clause (xvii) wherein the company has incurred cash losses of Rs.1.00 Lakhs in the current financial year and Rs.1.25 Lakhs in the immediately preceding financial year.

iii. Refer Clause (xix) wherein based on the financial ratios and negative net worth material uncertainty exists as on the date of audit report that the company is not capable of meeting its liabilities existing of the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm's Registration No: 113675W/W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No. : 164931
UDIN : 23164931BGXSYW1062
Place : Mumbai
Date : May 30, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls Over Financial Reporting with reference to the aforesaid Consolidated Financial Statements under Clause (i) Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph (1) (f) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors' Report of KONARK SYNTHETIC LIMITED on the consolidated financial statements for the year ended March 31, 2022)

We have audited the internal financial controls over financial reporting of **KONARK SYNTHETIC LIMITED** ("the Holding Company") and its subsidiary and associate which are companies incorporated in India, as of March 31, 2023 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective board of directors of the holding company, its subsidiary and associate which are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding company, its subsidiary and associates internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standard son Auditing prescribed under section143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgments, 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, and the audit evidence obtained by the other auditors in terms of their report referred to in the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to these Consolidated Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors, as referred to in other matters paragraph, the Holding Company, its subsidiary and its associate, which are companies incorporated in India have maintained in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the company considering the essential components of internal financial control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

a. According to the information and explanations given to us and based on our examination of the records of the holding company, we report that, material weakness has been identified in the Holding Company's internal financial controls over recovery of trade receivables of the company. Such weak internal control system is contributing to the negative growth of the holding company and deteriorating the funds of shareholders.

A 'material weakness' is a deficiency or a combination of deficiencies in internal financial control over financial reporting such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

b. Our report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the holding company, in so far as it relates to separate financial statements of a subsidiary and an associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and an associate.

For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm's Registration No: 113675W/W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No. : 164931
UDIN : 23164931BGXSYW1062

Place : Mumbai
Date : May 30, 2023

Konark Synthetic Limited

CIN:L17200MH1984PLC033451

Consolidated Balance Sheet as at March 31, 2023

All amount are in INR (Lakhs) otherwise stated

Assets	Note No.	As at March 31,2023	As at March 31,2022
Non-current Assets			
(a) Property, Plant and Equipment	5	1,554.17	2,144.66
(b) Capital work-in-progress		-	-
(c) Intangible assets		1.02	1.02
(d) Financial Assets			
(i) Investments	6	387.48	417.51
(ii) Others	7	62.77	63.00
(e) Other non-current assets		-	-
(f) Defferred Tax assets	8	203.20	280.74
Total Non-current assets		**2,208.64**	**2,906.93**
Current Assets			
(a) Inventories	9	1,580.41	2,012.27
(b) Financial Assets			
(i) Trade Receivables	10	1,295.95	1,836.84
(ii) Cash and cash equivalents	11	21.48	4.88
(iii) Bank balances other than above		-	-
(iv) Loans	12	765.55	691.87
(iv) Investment		-	-
(v) Others	13	-	-
(c) Current Tax Assets (Net)	14	118.68	115.41
(d) Assets classified as held for sale		-	-
(e) Other Current Assets	15	154.23	157.20
Total current assets		**3,939.30**	**4,818.48**
Total Assets		**6,147.94**	**7,725.41**
Equity and Liabilities	**Note No.**	**As at March 31,2023**	**As at March 31,2022**
Equity			
(a) Equity Share Capital	16	580.80	580.80
(b) Other Equity	17	(3,491.97)	(2,387.99)
(c) Non-Controlling Interest		(2,278.79)	(2,153.84)
Total Equity		**(5,189.95)**	**(3,961.04)**
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	4,535.01	4,696.38
(b) Provisions	19	33.29	38.87
(c) Deferred tax Liabilities (Net)		-	-
Total non-current Liabilities		**4,568.30**	**4,735.24**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	5,429.92	5,363.66
(ii) Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises~ and	21	11.02	12.62
(b) total outstanding dues of creditors other than micro enterprises and small enterprises."		1,074.17	1,337.59
(iii) Other Financial Liabilities	22	89.07	98.70
(b) Other Current Liabilities	23	163.93	137.39
(c) Current Tax Liabilities (Net)		-	-
(d) Provisions	24	1.47	1.25
Total current Liabilities		**6,769.59**	**6,951.21**
Total Liabilities		**11,337.89**	**11,686.45**
Total Equity and Liabilities		**6,147.94**	**7,725.41**

Summary of significant accounting policies 4

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached
For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm Registration No: 113675W / W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No : 164931
Place : Mumbai
Date : 30th May, 2023

For and on behalf of the Board of directors

Shonit Dalmia (Managing Director)
Anshul Agrawal (Director)

Indrajit Kanase (Company Secretary & Compliance Officer)
R.B. Somany (Chief Finance Officer)

Konark Synthetic Limited

CIN:L17200MH1984PLC033451

Statement of Consolidated Profit and Loss for the Year ended March 31,2023

All amount are in INR (Lakhs) otherwise stated

	Particulars	Note No.	For the year Ended March 31,2023	For the year Ended March 31,2022
I.	**Income**			
	Revenue from operations	25	4,736.37	4,009.76
	Other Income	26	106.18	259.30
	Total Revenue (I)		**4,842.56**	**4,269.06**
II.	**Expenses**			
	Cost of Material Consumed	27	1,215.82	890.63
	Purchase of Stock-in-trade		2,221.39	2,927.14
	Change in inventories of finished goods/stock in trade	28	406.09	(647.30)
	Employee benefit expenses	29	157.45	143.44
	Finance Costs	30	337.76	271.10
	Impairment of financial assets		(10.28)	202.26
	Depreciation and amortisation expenses	5	331.43	353.51
	Other Expenses	31	497.10	406.69
	Total Expenses (II)		**4,156.75**	**4,547.48**
III	**Profit / (loss) before Share of Profit/(Loss) in Associates, exceptional items and income tax (I-II)**		**(314.20)**	**(278.42)**
IV	Share of Profit/(Loss) in Associates		(30.04)	2.75
V	**Profit / (loss) before exceptional items and tax (III+IV)**		**(344.23)**	**(275.66)**
VI	**Exceptional item**			
	- Diminution in the value of Investments of subsidiary		-	-
	- Profit / (Loss) on sale of Fixed Assets/ Store		14.90	(25.86)
	- Bad Debts		(819.89)	(93.76)
VII	**Profit / (Loss) before tax (V + VI)**		**(1,149.22)**	**(395.28)**
VIII	**Tax expenses**			
	Current tax		-	-
	Deferred Tax		74.72	(15.32)
	Tax expense for earlier years		0.94	11.24
IX	**Profit / (Loss) for the year (VII - VIII)**		**(1,224.88)**	**(391.21)**
X	**Other Comprehensive Income**			
	Items that will not be classified to profit or loss			
	- Remeasurement gain/(loss) on defined benefit plans		10.86	17.57
	- Income tax relating to remeasurement (gain)/loss on above		(2.82)	(4.57)
XI	**Other Comprehensive Income for the year**		**8.03**	**13.00**
	Total Comprehensive Income for the year (X+XI)		**(1,216.85)**	**(378.21)**
	Net Profit Attributable to:			
	a) Owners of the Company		**(1,099.94)**	**(255.59)**
	b) Non-Controlling Interest		**(124.94)**	**(135.62)**
	Other Comprehensive Income Attributable to:			
	a) Owners of the Company		**8.03**	**13.00**
	b) Non-Controlling Interest		**-**	**-**
	Total Comprehensive Income Attributable to:			
	a) Owners of the Company		**(1,091.91)**	**(242.59)**
	b) Non-Controlling Interest		**(124.94)**	**(135.62)**
X	**Earnings Per Equity Share of Face Value of Rs.10 each**			
	Basic – After Exceptional Items		(18.94)	(4.40)
	Basic – Before Exceptional Items		(5.08)	(2.34)
	Diluted – After Exceptional Items		(18.94)	(4.40)
	Diluted – Before Exceptional Items		(5.08)	(2.34)

Summary of significant accounting policies 4

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached

For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm Registration No: 113675W / W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No : 164931
Place : Mumbai
Date : 30th May, 2023

For and on behalf of the Board of directors

Shonit Dalmia (Managing Director)
Anshul Agrawal (Director)

Indrajit Kanase (Company Secretary & Compliance Officer)
R.B. Somany (Chief Finance Officer)

Konark Synthetic Limited

CIN:L17200MH1984PLC033451

Statement of Consolidated Cash Flow Statement for the Year ended March 31,2023

All amount are in INR (Lakhs) otherwise stated

Particulars		For the year ended 31st March, 2023		For the year ended 31st March, 2022	
D. Cash flow from operating activity					
Net Profit before tax & Extra Ordinary Items			**(1,149.22)**		**(395.28)**
Adjustment for : Depreciation		331.43		353.51	
Interest paid		337.76		271.10	
Bad Debts		819.89		-	
Provision for Impairment		(10.26)		202.26	
(Profit)Loss on Sale of Fixed Assets		(14.90)		25.86	
(Profit)Loss on Sale of Investment		-		(111.87)	
Interest Income (considered Seperately)		(84.44)	1,379.46	(75.80)	665.06
Operating Profit before working capital changes			**230.23**		**269.78**
Working Capital Changes					
((Increase)Decrease in Trade Receivables (Increase)		(277.75)		236.32	
Decrease in Loans & Advances & other receivables		(73.48)		72.29	
(Increase)Decrease in Inventories		431.86		(648.90)	
Increase(Decrease) in Trade Payable & other payables		(235.80)	(155.17)	160.61	(179.68)
Cash Generated From operations			**75.06**		**90.09**
Income Tax Paid			(5.84)		(3.18)
Cash Flow Before Prior Period & Extra Ordinary Items			**69.23**		**86.91**
Prior Period & Extra Ordinary Items			(12.07)		(1.28)
Net Cash Flow From Operating Activities	**(I)**		**57.16**		**85.63**
II Cash Flow From Investing Activities					
Purchase of Fixed Assets		(1.71)		(53.66)	
Interest Income		0.87		1.45	
Advance Received against Sale of Land and Building		25.00		-	
Sale of fixed assets		279.95		607.66	
Net Cash Outflow for investing Activities	**(II)**		304.11		555.45
Cash flow after investing activities	**(III)=(I-II)**		**361.27**		**641.08**
Cash Flow From Financing Activities					
Proceeds from Long term borrowing (Net of Repayments)		(132.38)		(199.33)	
Proceeds from Short term borrowing (Net of Repayments)		22.19		(293.39)	
Interest paid		(234.38)		(168.58)	
Net Cash Flow from financing activity	**(IV)**		(344.66)		(661.29)
Increase in cash and cash equivalents	**(V)=(III-IV)**		**16.60**		**(20.21)**
Cash &Cash Equivalent (Opening Balance)			4.88		25.10
Cash &cash equivalent(Closing balance)			21.48		4.88
Increase in cash & cash equivalent	**(VI)**		**16.60**		**(20.21)**

Summary of significant accounting policies 4

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached

For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm Registration No: 113675W / W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No : 164931
Place : Mumbai
Date : 30th May, 2023

For and on behalf of the Board of directors

Shonit Dalmia (Managing Director)

Anshul Agrawal (Director)

Indrajit Kanase (Company Secretary & Compliance Officer)

R.B. Somany (Chief Finance Officer)

Konark Synthetic Limited
Consolidated Statement of changes in equity as at March 31, 2023

All amount are in INR (Lakhs) otherwise stated

A. Equity Share Capital

Balance as at April1,2022	Changes in equity share capital due to prior period errors	Restated balance as st April1,2022	Changes in equity share capital during the year	Balance as at March 31,2023
580.80	**-**	**580.80**	**-**	**580.80**

Balance as at April1,2021	Changes in equity share capital due to prior period errors	Restated balance as st April1,2021	Changes in equity share capital during the year	Balance as at March 31,2022
580.80	**-**	**580.80**	**-**	**580.80**

B. Other Equity

Particulars	Capital Redemption Reserve	Securities Premium Reserve	Capital Incentive Subsidy	General Reserve	Retained Earnings	Total
Balance as at 01st April, 2022	40.00	688.07	25.00	597.51	(3,738.58)	**(2,387.99)**
Add : Profit /(Loss) for the year	-	-	-	-	(1,099.94)	**(1,099.94)**
Add : Other Comprehensive Income for the year	-	-	-	-	8.03	**8.03**
Add : Prior Period Adjustment	-	-	-	-	(12.07)	**(12.07)**
Balance as at 31st March, 2023	**40.00**	**688.07**	**25.00**	**597.51**	**(4,842.55)**	**(3,491.97)**

Particulars	Capital Redemption Reserve	Securities Premium Reserve	Capital Incentive Subsidy	General Reserve	Retained Earnings	Total
Balance as at 01st April, 2021	40.00	688.07	25.00	597.51	(3494.71)	**(2144.13)**
Add : Profit /(Loss) for the year	-	-	-	-	(255.59)	**(255.59)**
Add : Other Comprehensive Income for the year	-	-	-	-	13.00	**13.00**
Add : Prior Period Adjustment	-	-	-	-	(1.28)	**(1.28)**
Balance as at 31st March, 2022	**40.00**	**688.07**	**25.00**	**597.51**	**(3738.58)**	**(2387.99)**

Summary of significant accounting policies
The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached
For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm Registration No: 113675W / W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No : 164931
Place : Mumbai
Date : 30th May, 2023

For and on behalf of the Board of directors

Shonit Dalmia (Managing Director)
Anshul Agrawal (Director)

Indrajit Kanase (Company Secretary & Compliance Officer)
R.B. Somany (Chief Finance Officer)

KONARK SYNTHETIC LIMITED
Notes to the Consolidated Financial Statement for the year Ended March 31, 2023

Note 1 Corporate Information:

The Consolidated Financial Statements comprise financial statements of Konark Synthetic Limited ("the company') and its domestic subsidiary namely, India Denim Limited and Consolidated financial statements of associate concern Konark Infratech Private Limited (collectively "the Group") for the year ended March 31, 2023. The Company is a limited Company domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE), in India. The registered office of the Company is situated at Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai -400059, India.

Group is engaged in the business of Trading and Manufacturing of Textile goods and also in Power generation.

Note 2 Basis of Preparation and Presentation:

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standard) Rules,2015 (Ind AS).

The Consolidated financial statements have been prepared as a going concern basis under the historical cost basis, except for certain financial assets and liabilities, which are measured at fair value / amortised cost if any.

The Consolidated financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest Lakhs, except when otherwise indicated.

Note 3 Basis of Consolidation:

a) The consolidated financial statements comprise the financial statement of the Company and its subsidiaries and associates as at 31st March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

b) Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired during the year are included in the consolidated financial statements from the date the Group obtains control and assets, liabilities, income and expenses of a subsidiary disposed off during the year are included in the consolidated financial statements till the date the Group ceases to control the subsidiary.

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) The consolidation financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements except otherwise stated elsewhere in this schedule. The Financial statements of the Company and its subsidiaries companies have been combined on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Indian Accounting Standard (Ind AS) 110 – "Consolidated Financial Statements". In case an associate, company follows equity method of consolidation as per Ind AS.

c) Non-Controlling Interest's share of profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.

d) Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet.

e) The details of the Subsidiaries, / Step-Down Subsidiaries and Associates in the consolidated financial statement are as follows:

Name of the Subsidiary Company	Financial Year of the Subsidiary/Associates company ended on	Extent of Holding/Subsidiary Company's Interest	Country of Incorporation
India Denim Limited	March 31, 2023	61.17 %	India
Konark Infratech Private Limited. (KIPL)*	March 31, 2023	26.925%	India
Konark Gujrat PV Private Limited	March 31, 2023	100% by KIPL	India

* Konark Infratech Private Limited is an associate concern of Konark Synthetic Limited.

Note 4 Significant Accounting Policies:

4.1 Property Plant and Equipment:

Property, plant and equipment are carried at cost of acquisition or construction, net of recoverable taxes less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchases price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use.

Capital work in progress includes cost of property, plant and equipment under installation as at the balance sheet date.

Depreciation on the Property plant and equipment is provided using straight line method over useful life of assets as specified in schedule II to the Companies Act,2013, Depreciation on Property Plant & equipment addition/deletion during the year has been provided on pro-rata basis from the date of such addition or upto date of such deletion as the case may be. Freehold land is not depreciated.

The assets' residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Property plants and equipment are eliminated from financial statement, either on disposal or when retired from active use. Profits/Losses arising in the case of retirement/disposal of property plant and equipment are recognized in the statement of profit and losses in the year of occurrence.

Leasehold Lands are amortized over period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

4.2 Intangible Assets:

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any Cost includes expenditure that is directly attributable to the acquisition of the intangible assets.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Computer software are capitalized at the amount paid to acquire the respective license for use and are amortized over period of useful lives. The assets useful lives are reviewed at each financial year end.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

4.3 Leases:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the balance sheet as a finance lease liability. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

4.4 Inventories:

In general, all inventories of finished, work-in-progress etc. are stated at lower of cost or net realizable value. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Raw materials & Stores and Spares are stated at cost on FIFO basis. Waste and by product are valued at net realizable value. Cost of finished products are determined at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal level of activities.

In case of subsidiary company India Denim Limited, all the inventories are valued at Net Realisable Value.

4.5 Cash and cash equivalents:

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

4.6 Impairment of assets:

An asset is considered as impaired when at the date of Balance Sheet, there are indications of impairment and the carrying amount of the asset, or where applicable, the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use).The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the statement of profit and loss. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

4.7 Financial instruments – initial recognition, subsequent measurement and impairment:

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

III) Financial assets - Initial recognition and measurement:

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Financial assets - Subsequent measurement:

For the purpose of subsequent measurement of financial assets are classified in two broad categories:-
a) Financial assets at fair value
b) Financial assets at amortised cost
Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured **at amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

a) Business model test: The objective of the Group's business model is to hold the financial asset to collect the contractual cash flow and selling financial assets.

b) Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured **at fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

a) Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

b) Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

Financial assets - Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:
a) The rights to receive cash flows from the asset have expired, or
b) The Group has transferred its rights to receive cash flow from the asset.

IV) Financial liabilities - Initial recognition and measurement:

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

Financial liabilities - Subsequent measurement:

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial Liabilities - Financial guarantee contracts:

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

Financial Liabilities - Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

4.8 Current and non-current classification:

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading & manufacturing.
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
All other assets are classified as non-current.

A liability is classified as current when it is:

a) Expected to be settled in normal operating cycle,
b) Held primarily for the purpose of trading, & manufacturing.
c) Due to be settled within twelve months after the reporting period, or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
All other liabilities are classified as non-current.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Group has identified twelve months as its normal operating cycle.

4.9 Provisions, Contingent Liabilities, Contingent Assets and Commitments:

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

If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

In case of subsidiary company India Denim Limited, the Company have filled the appeal before ITAT against the assessment order passed by the CIT (A) for the assessment year 2013 -14 determining the demand of Rs.1223.82 Lakhs and the said appeal is pending before the ITAT. The company have not made any provision for the same.

4.10 Dividend Distribution:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

4.11 Sales & Purchase:

Revenue from sale of goods is recognized when significant risk and rewards of ownership of goods have passed to the buyer. Sales are recorded excluding GST, net of return, rate difference and sales claim. Purchases are recorded excluding GST, net of return, rate differences and purchase claims.

4.12 Foreign Currency Reinstatement and translation:

Transactions denominated in foreign currency are normally recorded at the customs exchange rate prevailing at the time of transaction. Monetary Items denominated in foreign currencies at the yearend are restated at year end rates. Exchange difference relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of depreciable fixed asset is

adjusted to the carrying cost of the fixed asset. All other exchange differences are dealt with in the Statement of Profit and Loss. Non monetary foreign currency items are carried at cost.

4.13 Borrowing Cost:

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalised during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

In case of subsidiary company India Denim Limited, the secured loans from banks are classified as NPA during 2016-17 and 2017-18, since then no transactions are routed through the accounts, Interest /charges are not debited by the banks.

4.14 Export Incentives:

Benefit on account of entitlement of Duty Draw Back and others are recognized as and when right to receive is established as per the terms of the scheme.

4.15 Employee Benefit:

Short term employee benefits are recognised as an expense in the statement of profit and loss of the year in which the related services are rendered.
Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques based on Projected Unit Credit Method. Actuarial gain/losses in respect of post employment and other long term benefits are charged to Statement of Profit and Loss.
The Gratuity and Other retirement benefits in case of its subsidiary India Denim Limited are recorded on cash basis.
Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

4.16 Taxes on Income

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

<u>Current and deferred tax for the year</u>

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively
In case of subsidiary company India Denim Limited, the company has not followed the Ind AS 12 Income Taxes by maintaining the deferred tax asset of Rs.203.20 Lakhs despite the company incurring losses and had uncertainty of future taxable income.

4.17 Earnings per share:

Basic earnings per share is computed using the 'net profit for the year attributable to the shareholders (Before and After Exceptional Items)' and weighted average number of equity shares outstanding during the year.
Diluted earnings per share is computed using the 'net profit for the year attributable to the shareholder (Before and After Exceptional Items)' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

4.18 Significant Accounting Judgements, Estimates and Assumptions:

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based on its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Property, plant and equipment and Intangible Assets:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per Schedule II of the Companies Act, 2013 or are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

Income Tax:

The Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the financial statements.

Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Defined benefits plan:

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

Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Provisions:

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

KONARK SYNTHETIC LIMITED
Notes to the Consolidated Financial Statement for the year Ended March 31, 2023
Note 05 - Property, Plant And Equipment & Capital Work-In-Progress

All amounts are in INR (Lakhs) unless otherwise stated

Description	Property, Plant and Equipment											Intangible Assets			Work in Progress
	Leasehold Land	Freehold Land	Office Building	Factory Buildings	ROU Building	Plant & Machineries	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total	Software*	Internet	Total	
Gross carrying amount (at cost)															
As at April 1, 2022	-	101.54	485.36	1,164.11	-	6,256.59	43.66	26.03	209.77	33.49	8,320.34	20.39	-	20.39	-
Additions/Adjustments	-	-	-	-	-	-	-	1.71	-	-	1.71	-	-	-	-
Deductions/Impairments	-	-	283.46	-	-	251.37	-	-	15.25	3.62	550.09	-	-	-	-
As at March 31, 2023	-	101.54	485.36	1,164.11	-	6,256.59	43.66	27.74	209.51	33.49	7,771.96	20.39	-	20.39	-
Accumulated depreciation															
As at April 1, 2022	-	-	48.04	522.98	-	5,328.36	40.15	23.09	181.78	31.28	6,175.68	19.37	-	19.37	-
Depreciation for the year	-	-	6.68	35.55	-	282.93	0.23	0.70	4.73	0.39	331.43	-	-	-	-
Deductions/Impairments	-	-	31.75	4.27	-	238.81	-	-	14.49	-	289.31	-	-	-	-
Reversal of Assets classified as Held for sale*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	-	-	23.18	554.26	-	5,372.48	40.39	23.79	172.02	31.68	6,217.79	19.37	-	19.37	-
Net Carrying amount															
As at 31st March 2022	-	101.54	437.31	641.14	-	928.23	3.51	2.94	27.99	2.21	2,144.66	1.02	-	1.02	-
As at 31st March 2023	-	101.54	178.71	609.86	-	632.51	3.28	3.96	22.49	1.82	1,554.17	1.02	-	1.02	-

Other intangiable assets represents Computer software other than self generated goodwill
Freehold land are not depreciated

Konark Synthetic Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2023
Note 6 - Non - Current Investments

All amounts are in INR (Lakhs) otherwise stated

	As at 31st March,2023				As at 31st March,2022			
	Extent of Holding (%)	No. of Shares/ Units	Face Value (Rs.)	Rs.	Extent of Holding (%)	No. of Shares/ Units	Face Value (Rs.)	Rs.
A. In Equity Instruments:								
Unquoted Fully Paid -up								
Carried at Cost								
Investment in Associates (Equity Method)								
Konark Infratech Private Limited	26.92	28,000	10.00	2.80	26.92	28,000	10	2.80
Share in post acquisition profits				384.65				414.68
Others								
Silvassa Co-op. Society Limited		10.00	100.00	0.01		10.00	100.00	0.01
The City Co-op. Bank Ltd.		40.00	25.00	0.02		40.00	25.00	0.02
Quoted Fully Paid -up								
Carried at cost								
Sun Earth Ceramics limited		6,800	10.00	2.04		6,800	10.00	2.04
Total Equity Instruments				**419.55**				**419.55**
Less : Provision for dimunition in the value of Investments				2.04				2.04
Total				**387.48**				**417.51**

Konark Synthetic Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2023
All amounts are in INR (Lakhs) otherwise stated

7 Non-Current Financial Assets – Others

Particulars	As at March 31,2023	As at March 31,2022
Bank deposits with more than 12 months maturity	0.01	0.01
Security Deposits Govts & Other	62.79	62.99
Total	**62.77**	**63.00**

8 Deferred Tax Assets (Net)

Particulars	As at March 31,2023	As at March 31,2022
Tax effect of items constituting deferred tax assets		
Disallowance u/s 43B of I.T.Tax, 1961, Carry Forward of Losses and Impairment on financial assets	513.19	727.64
Tax effect of items constituting deferred tax liabilities		
Difference between book balance and tax balance of property, plant and equipment	309.99	446.90
	203.20	**280.74**

9 Inventories

Particulars	As at March 31,2023	As at March 31,2022
Inventories		
Raw Materials	24.18	41.54
Work in Progress	101.39	130.37
Finished Goods	181.21	149.71
Stores, Spares	18.80	27.21
Stock in Trade	1,166.06	1,494.69
Wastage & Others(Old and Non Moving Stock)	88.78	168.75
Total	**1,580.41**	**2,012.27**

10 Current Financial Assets - Trade Receivables

Particulars	As at March 31,2023	As at March 31,2022
Undisputed Trade receivables		
(a) Unsecured, considered good;	669.09	376.38
(b) Having significant increase in Credit Risk	626.86	1,460.46
(c) Credit Impaired	1,591.37	1,592.62
	2,887.32	**3,429.46**

Less: Provision for Impairment		
(d) Unsecured considered good	-	-
(e) Having significant increase in Credit Risk	-	-
(f) Credit Impaired	1,591.37	1,592.62
	1,591.37	**1,592.62**
	1,295.95	**1,836.84**
Disputed Trade receivables		
(d) Unsecured, considered good;	-	-
(e) Having significant increase in Credit Risk	-	-
(f) Credit Impaired	-	-
	-	-
Less: Provision for Impairment		
(d) Unsecured, considered good;	-	-
(e) Having significant increase in Credit Risk	-	-
(f) Credit Impaired	-	-
	-	-
Total	**1,295.95**	**1,836.84**

Trade receivables ageing schedule as at 31st March,2023

Particulers	**Outstanding for following periods from due date of payments**					**Total**
	Less Than 6 Month	**6 Month -1 Year**	**1 – 2 Years**	**2-3 Years**	**More Than 3 Years**	
Undisputed Trade receivables						
(a) Unsecured, considered good;	619.01	3.21	-	-	-	622.22
(b) Having significant increase in Credit Risk	-	-	26.92	4.23	642.57	673.73
(c) Credit Impaired	-	-	-	-	1,591.37	1,591.37
	619.01	**3.21**	**26.92**	**4.23**	**2,233.94**	**2,887.32**
Less: Provision for Impairment						
(a) Unsecured considered good	-	-	-	-	-	-
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	1,591.37	1,591.37
	-	**-**	**-**	**-**	**1,591.37**	**1,591.37**
	610.01	**3.21**	**26.92**	**4.43**	**642.57**	**1,295.95**
Disputed Trade receivables						
(a) Unsecured, considered good;	-	-	-	-	-	
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**
Less: Provision for Impairment						
(a) Unsecured considered good	-	-	-	-	-	-
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**
Total	**610.01**	**3.21**	**26.92**	**4.43**	**642.57**	**1,295.95**

Trade receivables ageing schedule as at 31st March,2022

Particulers	**Outstanding for following periods from due date of payments**					**Total**
	Less Than 6 Month	**6 Month -1 Year**	**1 – 2 Years**	**2-3 Years**	**More Than 3 Years**	
Undisputed Trade receivables						
(a) Unsecured, considered good;	366.11	10.27	-	-	-	376.38
(b) Having significant increase in Credit Risk	-	-	815.18	18.43	626.86	1,460.46
(c) Credit Impaired	-	-	-	0.61	1,592.01	1,592.01

	366.11	**10.27**	**815.18**	**19.03**	**1,592.01**	**3,429.46**
Less: Provision for Impairment						
(a) Unsecured considered good	-	-	-	-	-	-
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	0.61	1,592.01	1,592.01
	-	**-**	**-**	**0.61**	**1,592.01**	**1,592.01**
	366.11	**10.27**	**815.18**	**18.43**	**626.86**	**1,836.84**
Disputed Trade receivables						
(a) Unsecured, considered good;	-	-	-	-	-	
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**
Less: Provision for Impairment						
(a) Unsecured considered good	-	-	-	-	-	-
(b) Having significant increase in Credit Risk	-	-	-	-	-	-
(c) Credit Impaired	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**
Total	**366.11**	**10.27**	**815.18**	**18.43**	**626.86**	**1,836.84**

11 Current Financial Assets - Cash & cash equivalents

Particulars	**As at March 31,2023**	**As at March 31,2022**
Cash & Cash Equivalents		
Balance with banks;		
(i) Current Accounts*	5.15	2.29
(ii) Dividend Accounts	-	-
Cash in hand	16.33	2.60
Total	**21.48**	**4.88**

12 Current Financial Assets - Loans

Particulars	**As at March 31,2023**	**As at March 31,2022**
Unsecured, considered good;		
- To Subsidaries	-	-
- To Associate concern	752.31	678.98
- To employees	16.24	12.89
Total	**768.55**	**624.69**

13 Current Financial Assets -Other Assets

Particulars	**As at March 31,2023**	**As at March 31,2022**
Other Adavces	76.00	76.00
Less: Provision for Impairment	76.00	76.00
Total	**-**	**-**

14 Current Tax Assets (Net)

Particulars	**As at March 31,2023**	**As at March 31,2022**
Advance Income Tax (Net of Provision)	118.68	115.41
Total	118.68	115.41

Konark Synthetic Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

All amounts are in INR (Lakhs) otherwise stated

15 Other Current Assets

Particulars	As at March 31,2023	As at March 31,2022
Unsecured, Considered Good, unless otherwise stated:		
Receivable from Government Authorities & Others	84.37	125.77
Prepaid Expenses	4.06	4.64
Advances to creditors	125.92	103.82
Interest Receivable	0.00	-
Other Current Assets	35.09	18.70
	249.47	252.44
Less: Provision for Impairment	95.24	95.24
Total	**154.23**	**157.20**

16 Equity Share Capital

B) Authorized

Particulers	No of Shares	Amount In Rupees
As at April 1, 2022	1,50,00,000	1,500.00
Changes during the year	-	-
As at March 31, 2023	**1,50,00,000**	**1,500.00**

Issued , subscribed and paid up share

Movement in Equity Share Capital

	No of shares	Equity Share Capital par value
Equity Share Capital		
As at April 1, 2022	58,08,000	580.80
Changes during the year	-	-
As at March 31, 2023	**58,08,000**	**580.80**

C) Rights, preference and restrictions attached to the shares

Each holder of equity shares is entitled to one vote per share and ranks pari passu. In the event of liquidation of the Company, the holders ofequity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

D) Shareholders holding more than 5 percent of Equity Shares

Name of Shareholder	% holding in the class	As at March 31, 2023 No. of share held	As at March 31, 2022 No. of share held
Equity Shares of Rs. 10/- each			
Rakadevi Dalmia	17.36%	10.08	10.08
Kayo Investment And Finance Pvt. Ltd	14.75%	8.57	8.57
Fillmore Trading & Investments Pvt. Ltd.	14.46%	8.40	8.40
Prakashchand Dalmia (HUF)	5.80%	3.37	3.37
Shonit Dalmia	19.40%	11.26	11.26

As per records of company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares

E) The Company has neither issued equity shares pursuant to contract without payment being received in cash nor any bonus shares in the current year and five years immediately preceding the balance sheet date.

F) Shares held by Promoter's

Name of Proamters Equity Shares of Rs. 10/- each	% Holding in the	As at March 31, 2023 No. of share held	% Change during the year	% holding in the class	As at March 31, 2022 No. of share held	% Change during the year
Rakadevi Dalmia	17.36%	10.08	-	17.36%	10.08	-
Kayo Investment And Finance Pvt. Ltd	14.75%	8.57	-	14.75%	8.57	-
Fillmore Trading & Investments Pvt. Ltd.	14.46%	8.40	-	14.46%	8.40	-
Prakashchand Dalmia (HUF)	5.80%	3.37	-	5.80%	3.37	-
Shonit Dalmia	19.40%	11.26	-	19.40%	11.26	-
Prakashchand Dalmia	0.99%	0.58	-	0.99%	0.58	-
Amitabh Kejriwal	1.17%	0.68	-	1.17%	0.68	-
Smita R Kejriwal	1.05%	0.61	-	1.05%	0.61	-
Shikha Dalmia	0.01%	0.01	-	0.01%	0.01	-
		43.55			**43.55**	

17 Other Equity

Particulars	Capital RedemptionReserve	Securities Premium Reserve	Capital Incentive Subsidy	General Reserve	Retained Earnings	Total
Balance as at 1st April, 2022	40.00	688.07	25.00	597.51	(3738.58)	(2388.99)
Add : Profit /(Loss) for the year	-	-	-	-	(1099.94)	(1099.94)
Add : Other Comprehensive Income for the year	-	-	-	-	8.03	8.03
Add : Prior Period Adjustment	-	-	-	-	(12.07)	(1.28)
Balance as at 31st March 2023	**40.00**	**688.07**	**25.00**	**597.51**	**(4842.55)**	**(3492.97)**

Konark Synthetic Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2023
All amounts are in INR (Lakhs) otherwise stated

18 Non-Current Financial Liabilities - Borrowings

Particulars	As at March 31,2023	As at March 31,2022
Borrowings		
a) Secured Loan - Term Loan		
(i) From Banks		
Loan against Flat	-	-
Loan Against Property	532.98	512.68
Vehicle Loans (Against Motor Cars)	-	-
(ii) From Other		
Loan Against Property	153.85	335.51
Vehicle Loans (Against Motor Cars)	-	-
b) Unsecured Loan		
Inter Corporate Loans	3755.74	3755.74
Other	92.44	92.44
Total	**4,535.01**	**4,696.38**

Term Loans of India Denim Limited

Term Loan from BOB, SBI, INDIAN BANK, SBIN, PNB and SBT are secured by first charge paripassu on immovable properties (Equitable Mortgage of deposit of the deed) both present and future and first charge by way of hypothecation of all movable properties including movable Plant and Machinery, Tools and Accessories and other movable present and future (save and except Stock and Book Debts). Second charge by way of hypothecation on the stock of Raw material, Semi finished, finished goods, stores & spares, packing materials, consumables and book debts and is payable over a period of 5 Years

Secured Loans-Term Loans of Konark Synthetic Limited

a. The loan of Rs. 647.58 Lacs (P.Y. 590.00 Lac) including Current Maturities of Long Term Borrowings under note no. 19 from IDBI Bank Ltd is secured against the flat of Shri Amitabh Kejriwal-Director, situated at Flat No. 101, Santusthi, Janki Kutir, Juhu Ville Parle, Juhu, Mumbai - 400049. The loan was also guaranteed as co-applicants by Directors Mr. Amitabh Kejriwal and Mr. Shonit Dalmia. Terms of Payment is 180 EMI of Rs. 845328/- including interest @10.15% p.a. floating

b. Loan of Rs. 160.67 Lacs (P.Y. 245.59 Lacs) including Current Maturities of Long Term Borrowings under Note No. 19 is secured against Property from PNB Housing Finance Limited against Shop No. 6 and 11 situated at Skylark Building, Plot No. 63, Sector -11, CBD Belapur, Navi-Mumbai - 400614 on the term i.e 180 EMI of Rs. 3.41Lac and interest rate is 11.97% p.a floating , The loan was also guaranteed as co-applicants by Mr. Prakashchand Dalmia, Mr. Amitabh Kejriwal, Mr. Shonit Dalmia, Mrs. Rakadevi Dalmia, Prakashchand Dalmia HUF and M/s Kayo Investments & Finance Pvt. Ltd.

19 Provisions

Particulars	As at March 31,2022	As at March 31,2021
Provisions		
Provisions for Employee Benefits		
- Provision For Gratuity	33.29	38.87
Total	**33.29**	**38.87**

Konark Synthetic Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2022

All amounts are in INR (Lakhs) otherwise stated

20 Current Financial Liabilities – Borrowings

Particulars	As at March 31,2023	As at March 31,2022
a) Loans repayable on demands		
(i) Secured -		
From Banks		
- Loan	2,571.09	2,566.99
- Cash credit	-	-
(ii) Current maturities of long-term debts;		
Secured Loans	1,125.56	1,092.26
Vehicle Loans	-	4.41
(ii) Unsecured -		
Loans from Related Parties	1,733.27	1,699.99
Total	**5,429.92**	**5,363.66**

Secured Loans - Konark Synthetic Limited

Cash credit of Rs. 13.50 Crores has been sanctioned by Corporation Bank against paripassu first charge on inventory and book debts of the Company with margin of 25% on Stock and 40% on Book Debts; at interest rate of Base Rate+ 4.00%.

Cash Credit Of India Denim Limited

Loans repayable on demand from all banks are secured against first charge hypothecation of Stock of raw material, semi-finished goods and finished goods, Store and Spares, Packing Material, Consumables and Book Debts and second charge on Land and Building and Plant & Machinery of the Company. The above secured loans from banks are classified as NPA during2016-17 and 2017-18, since then no transactions are routed through the accounts, Interest /charges are not debited by the banks and hence the balances are remain unchanged.

Unsecured Loans-

Loans from related parties is from Konark Realtech Private Limited and is payable on demand**.**

21 Current Financial Liabilities - Trade Payables

Particulars	As at March 31,2023	As at March 31,2022
(i) Bills Payable Under Letter of Credit From Banks	-	-
(ii) Trade Payables		
a) Total outstanding dues of Micro and small enterprises	11.02	12.62
b) Total outstanding dues of trade payable other than Micro and small enterprises	1,074.01	1,334.56
c) Other	0.16	3.03
Total	**1,085.19**	**1,350.21**

Konark Synthetic Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2023

All amounts are in INR (Lakhs) otherwise stated

Trade Payables ageing schedule: As at 31st March,2023

Particulers	Outstanding for following periods from due date of payments				
	Less Than 1 Year	1-2 Year	2 – 3 Years	More Than 3 Years	Total
(i) MSME	8.92	0.51	0.21	1.38	11.02
(ii) Other	840.96	19.56	18.70	194.79	1074.02
(iii) Disputed Dues – MSME	-	-	-	-	-
(iv) Disputed Dues - Other	-	-	-	-	-
	849.88	**20.07**	**18.92**	**196.17**	**1085.03**

Trade Payables ageing schedule: As at 31st March,2022

Particulers	Outstanding for following periods from due date of payments				
	Less Than 1 Year	1-2 Year	2 – 3 Years	More Than 3 Years	Total
(i) MSME	4.16	1.59	6.87	-	12.62
(ii) Other	1043.83	45.12	20.07	79.94	1188.98
(iii) Disputed Dues – MSME	-	-	-	-	-
(iv) Disputed Dues - Other	-	-	-	-	-
	1048.00	**46.71**	**26.94**	**79.94**	**1201.59**

22 Current Financial Liabilities - Other Liabilities

Particulars	As at March 31,2023	As at March 31,2022
Other Financial Liabilities		
a) Interest accrued but not due on borrowings	6.59	48.43
b) Interest accrued and due on borrowings	-	0.11
c) Liability for expenses	54.64	25.70
d) Advance against Property	25.00	-
e) Advance from Customer	2.85	24.46
f) Other	-	-
Total	**89.07**	**98.70**

23 Other Current Liabilities

Particulars	As at March 31,2023	As at March 31,2022
a) Others	-	-
i) Taxes & duty	12.13	9.27
ii) Payable-ESIC, PF & Prof. Tax etc.	25.40	25.39
iii) Payable-Employee	126.39	102.73
Total	**163.93**	**137.39**

Konark Synthetic Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2023

24 Provisions

Particulars	As at March 31,2023	As at March 31,2022
Provisions		
Gratuity	0.72	0.80
Provision for Audit Fees	0.76	0.45
Total	**1.47**	**1.25**

Sr. No.	Particulars	For the Period ended 31.03.2023 Amount (Rs.)	For the Period ended31.03.2022 Amount (Rs.)
25	**Revenue From Operations**		
	Sales		
	Sale of Products	4,736.37	4,009.76
	Other Operating Revenue	-	-
	Total	**4,736.37**	**4,009.76**
26	**Other Income**		
	Interest Income	84.44	75.80
	Foreign Exchange Fluctuation Gain	-	0.03
	Profit on sale of Investment	-	111.87
	Others*	21.74	71.60
	Total	**106.18**	**259.30**
	*Others includes sundry balances W/off		
27	**Cost Of Material Consumed**		
	Raw Material Consumed		
	Opening Stock	41.54	28.88
	Add : Purchases	1,198.45	903.28
		1,239.99	932.17
	Less: Closing Stock	24.18	41.54
	Total	**1,215.82**	**890.63**
28	**Changes In Inventories Of Finished Goods, Work In Progress And Stock In Trade**		
	Opening Stock – Process	130.37	207.13
	Opening Stock – Finished	1,813.15	1,089.10
	Total – A	1,943.52	1,296.23
	Closing Stock – Process	101.39	130.37
	Closing Stock – Finished	1,436.04	1,813.15
	Total – B	1,943.52	1,943.52
	(Increase) / Decrease in Stocks **Total - A-B**	**(647.30)**	**(647.30)**

Konark Synthetic Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2023

All amounts are in INR (Lakhs) otherwise stated

29 Employee Benefits Expenses		
Salaries, Wages & Bonus	146.91	133.49
Gratuity & other Allowances	5.20	5.99
Contribution to Funds	1.85	1.55
Staff Welfare Expenses	3.70	2.42
Total	**157.45**	**143.44**
30 Finance Cost		
Interest Expenses	329.50	266.28
Other Borrowing Cost	8.26	4.82
Total	**337.76**	**271.10**
31 Other Expenses		
A. Manufacturing Expenses		
Power & Fuel	173.78	122.03
Stores & Spares & Packing Material Consumed	123.20	103.87
Repairs to Building	3.59	0.37
Repairs to Plant & Machinery	-	-
Repair & Maintainance - Other (At Plants)	2.85	3.14
Security Charges	17.99	18.00
Labour Charges	57.48	56.09
Job work Charges	0.10	3.06
Freight, Octroi & Cartage	1.74	1.90
Other Direct Manufacturing Expenses	0.66	1.50
Total - A	**381.37**	**309.95**

Sr. No.	**Particulars**	**For the Period ended 31.03.2022 Amount (Rs.)**	**For the Period ended 31.03.2021 Amount (Rs.)**
B.	**Administrative & general Expenses**		
	Advertisement Expenses	1.11	2.85
	Bank Charges	0.57	0.78
	Conveyance Expenses	2.81	3.24
	Electricity	2.29	1.79
	Filing Fees	0.41	0.26
	Insurance	3.89	4.08
	Interest/Penalty	1.40	4.79
	Marketing Expenses & Brokerage	11.54	11.09

Membership & Subscription	3.85	3.73
Miscellaneous Expenses/General Expenses	4.25	4.82
Outward Freight & Octroi	17.59	12.56
Postage Telegram	0.90	1.26
Printing & Stationery	1.09	0.78
Professional Fees/ Legal Expenses	13.20	8.76
Rent,Rates,Fees & Taxes	12.32	2.56
Repairs & Maintanance (Ohers)	8.98	3.97
Gst Demand	0.70	-
Sales Promotion Expenses	3.19	1.53
Sample & Development Expenses	1.71	4.30
Stamp & Hundi Paper	-	0.04
Sundry Balances W/off	-	9.41
Telephone Expenses	2.02	1.76
Travelling Expenses;	6.30	2.45
Vehicle Expenses	11.46	5.73
Vat Receivable Written off	-	-
Bad Debts	-	-
Auditors Remuneration:		
- For Statutory Audit	3.45	3.45
- For Tax Audit	-	-
- For Certification	-	-
- For Other	0.75	0.75
Total B	115.73	96.73
Total (A+B)	**497.10**	**406.69**

32. Segment Reporting:

The group is operating in single segment i.e. Textiles and thus there is no reportable segments as per Indian Accounting Standard (IND AS) 108 "Operating Segment". There is no reportable geographical segment either:

33. As per Indian Accounting Standard 24 “Related Party Disclosures” issued by The Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the Accounting Standard are given below:

A. Related Parties :

I. Subsidiaries of Subsidiaries:

Konark Gujarat PV Private Limited - Subsidiary of Konark Infratech Private Limited

II. Individual having significant influence:

Smt. Rakadevi Dalmia – Share Holder

III. Key Managerial Personnel and Relative:

Mr. Shonit Dalmia – Managing Director
Mr. Amitabh Kejriwal – Managing Director (Resigned as on 24th June. 2022)
Mr. Punit Desai – Director
Mr. R. B. Somany – Chief Financial Officer
Ms. Indrajit Kanase – Company Secretary
Ms. Smita Kejriwal – Relative of Director
Ms. Sikha Dalmia - Relative of Director
Ms. Namrata Dalmia – Relative of Director

Konark Synthetic Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2023

All amounts are in INR (Lakhs) otherwise stated

IV. Enterprise over which Key Management Personnel are able to exercise significant influence:

M/s Konark Silk Mills
M/s Konark Realtech Private Limited

B. Transactions:

Particulars	Individual having significant influence	KMP and Relatives of KMPs	Enterprise over which KMP have significant influence	Total
Remuneration & Perquisites	-	15.74 (10.26)	-	15.74 (10.26)
Salary	-	30.30 (29.02)	- -	30.30 (29.02)
Rent Expenses	- -	- -	1.08 (1.08)	1.08 (1.08)
Loan Taken		- -	254.40 (856.25)	254.40 (856.25)
Loan Repaid			221.13 (1130.33)	221.13 (1130.33)

C. Disclosures of material transactions with Related Parties as mentioned above:

	2022-2023	2021-2022
Managerial Remuneration		
Amitabh Kejriwal	2.24	10.26
Shonit Dalmia	13.50	-
Salary Paid		
R.B. Somany	13.80	12.00
Shikha Mishra	-	2.44
Indrajit Kanase	4.50	-
SikhaDalmia	6.00	6.00
SmitaKejriwal	-	2.58
Namarta Dalmia	6.00	6.00
Rent Paid		
Konark Silk Mills	1.08	1.08
Loans Taken		
Konark Realtech Pvt. Ltd.	254.40	856.25
Loans Repaid		
Konark Realtech Pvt. Ltd.	221.13	1130.33

D. Balances with the Related Parties as at 31st March, 2023 (Amount In Lacs except EPS)

Particulars	Subsidiaries and Fellow Subsidiaries	Individual having significant influence	KMP and Relatives of KMPs	Enterprise over which KMP have significant influence	Total
Remuneration & Perquisites	-	-	12.63 (0.85)		12.63 (0.85)
Salary	-	-	19.09 (10.85)		19.09 (10.85)
Rent Expenses	-	-	-	0.16 (3.03)	0.16 (3.03)
Loan Taken	-	-	-	5489.01 (5455.74)	5489.01 (5455.74)

34. Earnings Per Share:

Particulars	2021-22	2021-22
a) Basic earnings per share (After Exceptional Items) (In Rs. Lacs)		
Profit attributable to the equity holders of the company (After Exceptional Items)	(1099.94)	(255.59)
Weighted average number of equity shares used as the denominator	58.08	58.08
Basic Earnings Per Share (After Exceptional Items)	**(18.94)**	**(4.40)**
b) Basic earnings per share (Before Exceptional Items) (In Rs. Lacs)		
Profit attributable to the equity holders of the company (Before Exceptional Items)	(294.95)	(135.98)
Weighted average number of equity shares used as the denominator	58.08	58.08
Basic Earnings Per Share (Before Exceptional Items)	**(5.08)**	**(2.34)**
c) Diluted earnings per share (After Exceptional Items) (In Rs.)		
Profit attributable to the equity holders of the company (After Exceptional Items)	(1099.94)	(255.59)
Weighted average number of equity shares used as the denominator	58.08	5808000
Diluted Earnings Per Share (After Exceptional Items)	**(18.94)**	**(4.40)**
d) Diluted earnings per share (Before Exceptional Items) (In Rs.)		
Profit attributable to the equity holders of the company (Before Exceptional Items)	(294.95)	(255.59)
Weighted average number of equity shares used as the denominator	58.08	58.08
Diluted Earnings Per Share (Before Exceptional Items)	**(5.08)**	**(2.34)**

35. Contingent Liability / Capital Commitments:

The Bankers of the Parent Company have given Guarantees to various Government Authorities amounting to Rs.1.50 Lacs (P.Y. Rs.1.50 Lacs) for which the Company has given counter guarantee and margin money in form of fixed deposit/current account to the bankers amounting to Rs.1.50 Lacs (P.Y. Rs. 1.50 Lacs).

The Parent Company has given a Corporate Guarantee of Rs.2706.00 Lacs (P.Y. Rs.2706.00 Lacs) to the bankers of its subsidiary company namely India Denim Limited and a Corporate Guarantee of Rs.4600.00 Lacs (P.Y. Rs.4600.00 Lacs) to the bankers of its Associate Company' subsidiary company namely Konark Gujarat PV Private Limited against Term Loan and Working Capital Facilities sanctioned to the said companies.

The company has no capital and other commitments as on the Balance Sheet date.

The above contingent liability includes corporate guarantee of Rs.2706.00 Lacs in respect of loan availed by its subsidiary company M/s. India Denim Limited. The accounts of the said subsidiary have been classified as NPA by the bankers of the company. The legal proceeding regarding the said matter when ultimately concluded, will have a material impact on financial position of the Company.

36. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the Balance Sheet realizable in the ordinary course of business. Sundry Debtors, Creditors & Advances are subject to confirmation and /or reconciliation with parties.

37. As on the Balance Sheet date, the Company does not have any Foreign Currency Exposure. Disclosure in respect to hedging of Foreign Currency by a derivative instrument or otherwise thereof is not applicable.

38. CIF Value of Imports:

Particulars	2022-2023	2021-22
Stores & Spares	-	2.83
Total	**-**	**2.83**

39. Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

40. The Financial Statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013. Previous year figures have been regrouped / rearranged wherever necessary to make them comparable with those of the Current Year.

As per our reports of even date attached

For Jhunjhunwala Jain & Associates LLP
Chartered Accountants
Firm's Registration No: 113675W/W100361

(CA Priteesh Jitendra Jain)
Partner
Membership No.164931

Place : Mumbai
Date : 30th May, 2023

For and on behalf of the Board

Shonit Dalmia	**Anshul Agrawal**
Managing Director	Director
Indrajit Kanase	**R.B. Somany**
Company Secretary & Compliance officer	Chief Finance Officer

KONARK SYNTHETIC LIMITED

CIN: L17200MH1984PLC033451
Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400059. Tel: 022-4089 6300; Fax: 022-4089 6322; Email: info@konarkgroup.co.in;Website: www.konarkgroup.co.in

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]

39th Annual General Meeting - 30th September, 2023

CIN : L17200MH1984PLC033451

Name of the Company : Konark Synthetic Limited

Registered Office : Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East),
Mumbai - 400059

Name of the Member (s)/ Joint holder (s) :

Registered address :

Email Id :

Folio No/Client Id :

DP ID :

I/We, being a Member(s) of shares of the above named Company hereby appoint:

1. Name:

   Address:

   Email ID:

   Signature:, or failing him/her

2. Name:

   Address:

   Email ID:

   Signature:, or failing him/her

3. Name:

   Address:

   Email ID:

   Signature:, or failing him/her

as my/our proxy to attend and vote (on poll) for me/us on my /our behalf at the 39th Annual General Meeting of the Company to be held on Saturday, 30th day of September, 2023 at 3.30 p.m. at the Registered office of the Company at Building No.7, Mittal Industrial Estate, AndheriKurla Road, Sakinaka, Andheri (East), Mumbai - 400059 and at any adjournment thereof in respect of such resolution as are indicated overleaf:

Resolution Number	Resolutions	Vote (Optional see note 2) Please mention no. of Shares)		
Ordinary Business:		**For**	**Against**	**Abstain**
1.	Ordinary Resolutions for adoption of:			
a)	The Standalone Audited Financial Statements for the year ended 31st March, 2023 together with the Reports of the Directors' and the Auditors' thereon; and			
b)	The Consolidated Audited Financial Statements for the financial year ended 31st March, 2023 together with the report of Auditors' thereon.			
2.	Ordinary Resolution for appointment of director in place of Mr. Shonit Dalmia (DIN: 02060092), Managing Director, who retires by rotation and being eligible, offers himself for re-appointment.			
Special Business				
3.	Ordinary Resolution for Appointment of Statutory Auditor in Casual Vacancy			
4	Ordinary Resolution for Appointment of Statutory Auditor for Five Years			

Signed this_____day of_____2023

Signature of Shareholder: _____

Signature of Proxyholder(s): _____

Affix Revenue Stamp of Re.1

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. It is optional to indicate the preference. In case members leave the for, against or abstain column blank against any or all resolutions, their proxy will be entitled to vote in the manner as he/she may deemed appropriate.

KONARK SYNTHETIC LIMITED
CIN: L17200MH1984PLC033451
Building No.7, Mittal Industrial Estate, AndheriKurla Road, Sakinaka, Andheri (East),
Mumbai - 400059. Tel: 022-4089 6300; Fax: 022-4089 6322; Email:
info@konarkgroup.co.in;Website: www.konarkgroup.co.in

ATTENDANCE SLIP

39TH ANNUAL GENERAL MEETING - 30TH SEPTEMBER, 2023

(To be completed and presented at the Entrance)

Regd. Folio No. / DP ID & Client ID	
Name and address of shareholder(s)	
Joint Holder 1	
Joint Holder 2	
No. of share(s) held	

I/We hereby my/our presence at the 39th Annual General Meeting of the KONARK SYNTHETIC LIMITED to be held on the Saturday, 30th September, 2023 at 3.30 P.M. at the Registered office of the Company at Building No.7, Mittal Industrial Estate, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400059.

Signature of Member/Proxy/Representative

Notes:

1. Please fill in the Folio / DP ID/client ID No., name and sign the Attendance slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
2. Please read the instructions for e-voting given along with Annual Report. The Voting period starts from Wednesday, 27 September, 2023 at 9.00 am and end on Friday 29th September, 2023 at 5.00 pm. The voting module shall be disabled by CDSL for voting thereafter.

To,
Konark Synthetic Ltd.
Building No. 7, Mittal Industrial
Estate, Andheri - Kurla Road, Saki-
Naka. Andheri [E],Mumbai – 400059.

Dear Sir,

Sub: E-MAIL UPDATION FORM

In view of the MCA Circulars I/we agree to receive all communication from the Company through e-mode:

Folio No. : _____

DP ID : _____

Client ID : _____

No. of Shares : _____

Name of 1st Registered Holder : _____

Name of Joint Holder(s) : _____

Registered Address : _____

E-mail ID : _____

I/we hereby declare that the particulars given herein are true, correct and complete. I/we hereby undertake to promptly inform Konark Synthetic Limited of any changes to the information provided hereinabove.

You are requested to please update the same in your records.

Thanking you,

Yours truly,

Signature of

holder:

_____ _____ _____

Sole/ First holder Second holder Third holder

NOTES:

1) On registration, all the communication will be sent to the e-mail ID registered in the Folio/DP ID & Client ID.

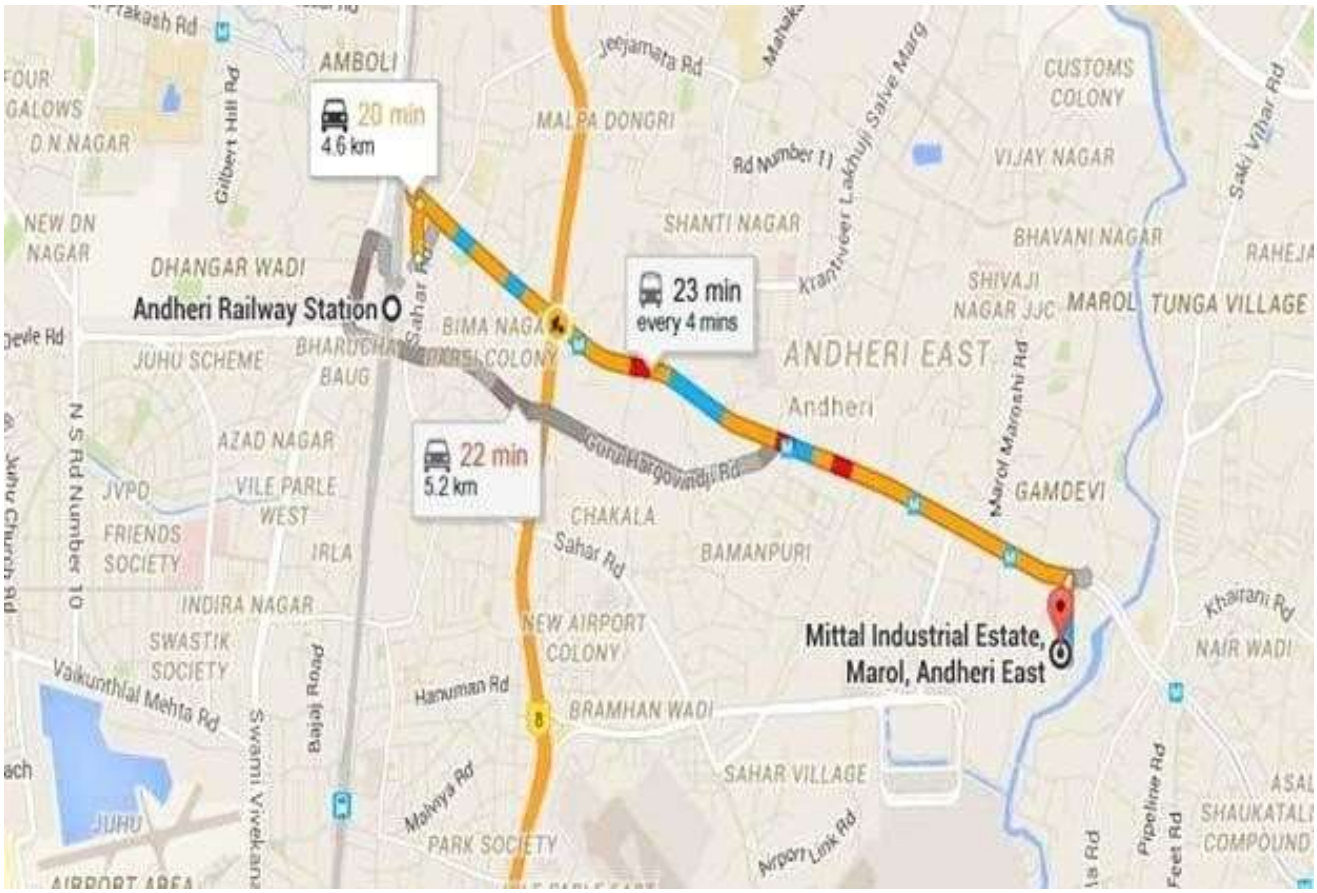
2) The E-mail updation form is also available on the website www.konarkgroup.co.in

3) Kindly submit your e-mail ID by filling up and signing at the appropriate place provided hereinabove and furnishing this form:

i) by post; or ii) by way of a scan copy through e-mail at support@purvashare.com or info@konarkgroup.co.in .

The e-mail ID provided shall be updated subject to successful verification of your signatures.

ROUTE MAP OF AGM VENUE



If Not Delivered , Please return to :

KONARK SYNTHETIC LIMITED
Building No.7, Mittal Industrial Estate, Andheri Kurla Road,
Sakinaka, Andheri (East), Mumbai – 400059.
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