SUNIL INDUSTRIES LIMITED
(AN ISO 9001 & 14001 CERTIFIED COMPANY)

Corporate Office
315, Rewa Chambers
New Marine Lines, Mumbai - 400 020
Tel. : (022) 2201 7389 / 2208 7860
Fax : (022) 2208 4594
E-mail : info@sunilgroup.com
www.sunilgroup.com
CIN No.: L99999MH1976PLC019331

Date: 27th August, 2026

To,
Department of Corporate Services (DSC-CRD)
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400001

Subject: Notice of the 50th Annual General Meeting (AGM) along with Annual Report of Sunil Industries Limited for Financial year 2025 - 2026

Ref.: Sunil Industries Limited, Scrip Code: 521232, ISIN: INE124M01015.

Dear Sir/ Madam,

This is to inform you that the 50th Annual General Meeting (AGM) of the Company is scheduled to be held on Tuesday, 22nd September, 2026 at 12:00 P.M (IST) at the registered office of the Company.

Please find attached the Notice of the 50th Annual General Meeting of the Company scheduled to be held on Tuesday, 22nd September, 2026 at 12:00 a.m. (IST) at the registered office of the Company, along with the Annual Report of Sunil Industries Limited for the financial year 2025 - 2026 which is being sent through electronic mode to all the Members of the Company who have registered their e-mail address with the Company.

The Notice of AGM along with Annual Report for the financial year 2025 - 2026 is available on the website of the Company at https://www.sunilgroup.com/annual-reports.html, on the website of Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of National Securities Depositories Limited (NSDL) at www.evoting.nsdl.com.

Further, please note that the Company has fixed following dates in connection with its 50th Annual General Meeting for the Financial Year 2025 – 26

Sr. No	Particulars	Relevant Date
1.	Cut- off date for the purpose of determining eligibility of the shareholders to vote through remote E- voting or E-voting Facility during the Annual General Meeting.	Tuesday, 15th September, 2026
2.	Date and Time of Commencement of remote e-voting	From Saturday, 19th September, 2026 at 09.00 A.M
3.	Date and Time of end of remote e-voting	To Monday, 21st September, 2026 at 05.00 P.M
4.	Annual General Meeting Date	Tuesday, 22nd September, 2026
5.	Date of e-voting during AGM	Tuesday, 22nd September, 2026

The same is being provided for your information, record and reference.

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(AN ISO 9001 & 14001 CERTIFIED COMPANY)

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315, Rewa Chambers
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Fax : (022) 2208 4594
E-mail : info@sunilgroup.com
www.sunilgroup.com

CIN No.: L99999MH1976PLC019331

Thanking you.
FOR SUNIL INDUSTRIES LIMITED

Sourabh Sahu Digitally signed by Sourabh Sahu Date: 2026.08.27 13:34:11 +05'30'

SOURABH SAHU
COMPANY SECRETARY & COMPLIANCE OFFICER
ACS: 55322

50th ANNUAL REPORT

2025 - 2026

SUNIL INDUSTRIES LIMITED

(L99999MH1976PLC019331)

CORPORATE INFORMATION:

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Vinod Lath (DIN: 00064774)	:	Chairman and Managing Director
Mr. Pradeep Roongta Chatruprasad (DIN: 00130283)	:	Whole-Time Director & CFO
Ms. Shruti Saraf (DIN: 07521927) (Cessation w.e.f. 27.05.2026)	:	Independent Non-Executive Woman Director
Ms. Shruti Somani (DIN: 10329346) (Appointment w.e.f. 26.06.2026)		Independent Non-Executive Woman Director
Mr. Rajesh Tibrewal (DIN: 00130509)	:	Independent Non-Executive Director
Mr. Bindu Darshan Shah (DIN: 07131459)	:	Independent Non-Executive Women Director
Mr. Sourabh Sahu (ACS 55322)	:	Company Secretary and Compliance Officer

REGISTERED OFFICE:
D-8, M.I.D.C., Phase II,
Manpada Road, Dombivli (E) - 421 203
Dist. Thane, Maharashtra.

MANUFACTURING UNITS:
Spinning Unit:
S. F. No. 324/1, Karungal Village,
K. Anapatti Post, Vedasandur Taluk,
Dist. Dindigul – 624 620.

Weaving Unit:
Plot No. 60- B, Parvati Industrial Area,
Kondigre Road, Near Gangajal Water Tank,
Yadrav, Ichalkaranji.

Processing Unit:
D-8, MIDC, Phase II,
Manpada Road, Dombivli (E),
Dist. Thane - 421 203.

BANKERS:
Standard Chartered Bank

STATUTORY AUDITORS:
M/S. V.K. Beswal & Associates,
Chartered Accountants, Mumbai

SECRETARIAL AUDITOR:
HSPN & Associates LLP
Company Secretaries, Mumbai

INTERNAL AUDITOR:
Chetan Jain & Associates
Chartered Accountants, Mumbai

COST AUDITOR:
M/s. Shanker Chaudhary & Co.,
Cost Accountants, Mumbai

SHARE TRANSFER AGENTS:
MUFG Intime India Private Limited formerly
known as (Link Intime India Private Limited),
Add.: C 101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai - 400083.

SHARES LISTED AT:
BSE Limited
PhirozeJeejeebhoy Towers, Dalal Street,
Mumbai – 400 001.

50th ANNUAL GENERAL MEETING

Date:	**22nd September, 2026**
Day:	**Tuesday**
Time:	**12:00 PM**
Place:	D-8, M.I.D.C., Phase II, Manpada Road, Dombivli (E) - 421 203, Dist. Thane, Maharashtra.

Sunil Industries Limited

CIN No: L99999MH1976PLC019331
Reg Office: D 8 MIDC Phase II, Manpada Road,
Dombivli (East), Thane, Maharashtra-421201.
Web: www.sunilgroup.com, Tel: 0251-2870749

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 50th ANNUAL GENERAL MEETING (AGM) OF MEMBERS OF SUNIL INDUSTRIES LIMITED WILL BE HELD ON TUESDAY OF 22ND SEPTEMBER, 2026 AT 12:00 PM AT D-8, M.I.D.C., PHASE II, MANPADA ROAD, DOMBIVLI (E) - 421 203, DIST. THANE, TO TRANSACT THE FOLLOWING.

ORDINARY BUSINESS:

ITEM NO. 1: APPROVAL OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2026

To receive, consider and adopt the Audited Financial Statements for the year ended 31st March 2026 together with the Reports of the Board of Directors and the Auditors thereon.

ITEM NO. 2: APPROVAL FOR RE-APPOINTMENT OF MR. VINOD GAJANAND LATH, MANAGING DIRECTOR (HOLDING DIN 00064774) WHO IS RETIRING BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT

To appoint Mr. Vinod Gajanand Lath, Managing Director (Holding DIN 00064774) who retires by rotation at the ensuing Annual General Meeting, and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

ITEM NO. 3: REGULARISATION OF APPOINTMENT OF MS. SHRUTI SOMANI AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 161 and other applicable provisions, if any, read with Schedule IV of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, and as per the provisions of Articles of Association of the Company, Ms. Shruti Somani (DIN: 10329346) who was appointed as an Additional Non-Executive Independent Director of the Company w.e.f. 26th June, 2026, and who holds office upto the date of this Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2025– 2026 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 be and is hereby appointed as an Non-Executive Independent Director of the Company to hold office for the period of 5 (five) years w.e.f. 26th June, 2026 till 25th June, 2031.

RESOLVED FURTHER THAT Director of the Company are hereby authorized to file all necessary documents with the Registrar of Companies and other statutory authorities, to make necessary entries in the Statutory registers of the company and to do all such acts/ deeds/ things as may deem fit to give effect to this resolution."

ITEM NO. 4: RATIFICATION OF REMUNERATION PAYABLE TO COST AUDITOR FOR FINANCIAL YEAR 2026-2027

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

"RESOLVED THAT pursuant to provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re- enactment thereof for the time being in force) and any other applicable provisions, if any, the appointment of M/s Shanker Chaudhary & Co., Cost Accountants as Cost Auditors of the Company by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year 2026-2027 at remuneration of Rs. 1,50,000/- p.a. (One Lakh Fifty Thousand) plus applicable taxes as paid to them be and is hereby ratified."

RESOLVED FURTHER THAT any of the Directors of the Company and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto"

By order of the Board
For Sunil Industries Limited

SD/-
Sourabh Sahu
Company Secretary & Compliance Officer
(M. No. 55322)

Date: 21st August, 2026
Place: Dombivli

NOTES:

1) A member entitled to attend and vote at the meeting is entitled to appoint another person as a proxy to attend and vote at the meeting on his behalf and such proxy need not be a member of the company.

2) Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.

3) Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.

4) In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

5) Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.

6) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.

7) The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.

8) The Register of Members and Share Transfer Register in respect of equity shares of the Company will remain closed from Wednesday, 16th September, 2026 up to Tuesday, 22nd September, 2026 (both days inclusive).

9) As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the Meeting.

10) To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participants ("DPs") in case the shares are held by them in electronic form and with Share Transfer Register in case the shares are held by them in physical form.

11) Members/Proxies are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.

12) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

13) Members whose shareholding is in the electronic mode are requested to direct change of address notifications and Updating of Savings Bank Account details to their respective Depository Participants.

14) In terms of Section 124 of the Companies Act, 2013, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to Investor Education and Protection Fund. Members who have not encashed their dividend warrants are requested to write to the Registrars and Share Transfer Agents.

The details of dividend unclaimed (if any) are uploaded on the Company's website at http://www.sunilgroup.com for shareholders information.

15) Electronic copy of the Notice of the 50th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 50th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

16) Members may also note that the Notice of the 50th Annual General Meeting and the Annual Report for 2025-26 will also be available on the Company's website www.sunilgroup com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: info@sunilgroup.com.

17) Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in Electronic/ Demat form, the members may please contact their respective depository participant.

18) Members are requested to send all communications relating to shares, bonds and unclaimed dividends, change of address etc. to the Registrar and Share Transfer Agents ("RTA") at the following address: Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083. Tel: +91 22 49186270 Fax: +91 22 49186060. Email: rnt.helpdesk@mufgintime.co.in. Website: http://www.mufgintime.co.in.

19) If the shares are held in electronic form, then change of address and change in the Bank Accounts etc. should be furnished to their respective Depository Participants (DPs).

20) To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the RTA. Members are requested to keep the same updated.

21) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-Voting, such person may obtain the User ID and Password from RTA by email request on rnt.helpdesk@linkintime.co.in. In case the e-mail ID is not registered, such Members are requested to register/update the same with the respective depository participants.

22) Brief details of the directors, who are seeking re-appointment and brief details of the auditors seeking appointment, are annexed hereto as per requirements of regulation 36(3) and 36(5) of the SEBI Listing Regulations and Secretarial Standards.

23) **Voting through electronic means (Remote E-voting):**

i) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the Listing Regulations, and SS-2 on General Meetings issued by the ICSI, the Company is pleased to provide to its Members the facility to exercise their votes on resolutions proposed to be considered at the 50th AGM by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM i.e. remote e-voting and e-voting at the AGM will be provided by Company's RTA.

ii) **The remote e-voting period will commence on Saturday, 19th September, 2026** (9:00 a.m. IST) and ends on **21st September, 2026** (5:00 p.m. IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday, 15th September, 2026 may cast their vote electronically. The remote e-voting module shall be disabled by RTA e-voting platform for voting thereafter.

iii) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, 15 September, 2026, being the cutoff date, are entitled to vote on the resolutions set forth in this Notice.

iv) The Members who had cast their vote by remote e-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast/ modify their vote again.

v) The facility for e-voting at the AGM will be available and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through e-voting.

vi) The Company has appointed Mr. Hemant Shetye, Designated Partner of M/s. HSPN & Associates LLP, Practicing Company Secretaries as Scrutinizer failing which Mr. Kunal Sakpal, Designated Partner, M/s. HSPN & Associates LLP, Practicing Company Secretaries as Scrutinizer to scrutinize the entire e-voting process in a fair and transparent manner.

vii) The scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting and e-voting

during the AGM, in the presence of at least two witnesses not in the employment of the Company and make, not later than two days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

viii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website https://www.sunilgroup.com/index.html and on the website of RTA immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE"), where the shares of the Company are listed.

ix) The resolutions shall be deemed to be passed on the date of AGM i.e. 22nd September, 2026 subject to receipt of sufficient votes.

INFORMATION OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ENSUING MEETING, AS REQUIRED UNDER REGULATION 36 (3) OF THE LISTING REGULATIONS AND SS-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, IS AS FOLLOWS:

Particulars	**Shruti Satyanarayan Somani**	**Vinod Gajanand Lath**
DIN	10329346	00064774
Date of Birth (Age)	12/08/1991	08/07/1949 (76 years)
Date of Appointment/Re-appointment	26th June, 2026	1st September, 2024
Qualifications	CS	Commerce Graduate
Nature of expertise in specific functional areas	PCS	Marketing, Finance & Administration.
Terms and condition of appointment / reappointment	Independent Non-Executive Director	Managing Director and shall liable to retire by rotation as per articles of the Company.
Details of remuneration sought to be paid (in Rs.)		2,00,000/- p.m. (Rupees Two Lakhs Only)
Remuneration last drawn (in Rs.)	NA	2,00,000/- p.m. (Rupees Two Lakhs Only]
No. of Meetings of the Board attended during the financial year 2025-2026	Nil	5 (Five)
Disclosure of relationships between directors inter-se.	NIL	NIL
Directorships held in other public companies (excluding foreign companies and Section 8 companies)*	NIL	NIL
List of Listed Companies in which the person has resigned in the past three years	NIL	NIL
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.) **	NIL	NIL
Number of shares held in the Company	NIL	3,22,000

**Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies and their Committee memberships are excluded.*

*** Membership and Chairmanship of only Audit Committees and Stakeholders' Relationship Committees have been included in the aforesaid table.*

#Mr. Vinod Lath has abstained from receiving sitting fees from the Company and hence not applicable.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on 19th September, 2026 at 09:00 A.M. and ends on 21nd September, 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 15th September, 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 15th September, 2026.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system *(Refer Next Page for complete details)*

In terms of SEBI circular 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.
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are 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 4. 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.

	NSDL Mobile App is available on App Store Google Play
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 users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from 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.

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. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ *with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 141498 then user ID is 141498001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?
If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to kunal@hspnassociates.in/ hs@hspnassociates.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to NSDL at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 cssunilgroup@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cssunilgroup@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cssunilgroup@gmail.com. The same will be replied by the company suitably.

6. Registration of Speaker related point needs to be added by company

ON BEHALF OF THE BOARD
FOR SUNIL INDUSTRIES LIMITED

SD/-
SOURABH SAHU
COMPANY SECRETARY AND COMPLIANCE OFFICER
M. No. ACS55322
DATE: 21st August, 2026
PLACE: DOMBIVLI

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

Item No. 3:

At the 50th AGM held on 22nd September, 2026, the Members of the Company had approved the appointment of Ms. Shruti Somani (DIN: 10329346), as an Independent Director of the Company, for a period of 5 (five) consecutive years w.e.f. 26th June, 2026. The Company has received a declaration from Ms. Shruti Somani (DIN: 10329346), that she meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act, the Rules made thereunder and the Listing Regulations.

In terms of Regulation 25(8) of the Listing Regulations, she has also confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge duties as an Independent Director without any external influence. In the opinion of the Board of Directors of the Company, she fulfills the conditions specified in the Act, Rules framed there under and the Listing Regulations, as amended for appointment of Independent Director.

A brief profile of Ms. Shruti Somani (DIN: 10329346), is given in the table below on "Details of the Directors seeking appointment/re-appointment at the 50th AGM". She has not attended Board meetings during the financial year 2025-26 as per details provided in Corporate Governance report which forms a part of the Annual Report. Based on the performance evaluation of Ms. Shruti Somani (DIN: 10329346), the Board of Directors of the Company at their meeting held on 26th June, 2026 have approved and recommended her appointment as an Independent Director, for a term of 5 (five) years till 26th June, 2031, subject to the approval of the Members, as provided in the resolution, and she shall not be liable to retire by rotation at the AGM as provided under Section 152(6) of the Act.

Further, as per the requirement of the Circular No. List/Comp/14/2018-19 dated 20th June, 2018 issued by BSE on the subject of enforcement of SEBI Orders regarding appointment of Directors by listed companies, we hereby affirm that she is not debarred from holding the office of director by virtue of any order of SEBI or any other such authority. The Board of Directors consider that Ms. Sathya Venkatachalam (DIN: 06970735) has requisite expertise, versatility, extensive and enriched experience that will be of benefit to the Company.

She is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Board recommends passing of the Resolution at Item No. 3 of the Notice as Ordinary Resolution. None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Ms. Shruti Somani (DIN: 10329346), are in any way concerned or interested in the Resolution, as set out in Item No. 3 of the Notice. The Board recommends the resolution at Item no. 3 to be passed as **Ordinary Resolution.**

Item No. 4:

In terms of Section 148 of the Companies Act, 2013 ("the Act") read with the Companies (Cost Records and Audit) Rules, 2014 (the "Rules"), as amended from time to time, the Company is required to have an audit conducted of its cost records by a cost accountant in practice for products covered under the Rules.

The Board based on the recommendation of the Audit Committee, has approved the re-appointment of, M/s Shanker Chaudhary & Co., Cost & Management Accountant as Cost Auditor of the Company for conducting the audit of the cost records of the Company for the financial year ending 31st March, 2027 at a remuneration of Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only) p.a. plus out-of-pocket expenses.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), amendment(s), enactment(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the Members of the Company. Accordingly, the approval of the Members is sought for passing an Ordinary Resolution as set out in Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2026.

The Company has received consent and eligibility letter from the Cost Auditor, stating that the Cost Auditor does not suffer from any disqualifications as specified under Section 141(3) of the Act and that the appointment is in accordance with the limits specified in Section 141(3)(g) of the Act.

The Board recommends the ordinary resolution set out at Item No. 4 of the Notice for approval by the Members.

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 resolution set out at Item No. 3 of the Notice.

By order of the Board
For Sunil Industries Limited

Sourabh Sahu
Company Secretary and Compliance Officer
(M. No. ACS 55322)

Date: 21st August, 2026
Place: Dombivli

SUNIL INDUSTRIES LIMITED
CIN NO: L99999MH1976PLC019331
REG OFFICE: D 8 MIDC PHASE II, MANPADA ROAD, DOMBIVLI (EAST), THANE, MAHARASHTRA- 421201.
Web: www.sunilgroup.com Tel: 0251-2870749

50th Annual General Meeting

Attendance Slip Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall. I hereby record my presence at the 50th Annual General Meeting of the Company at registered office D-8, M.I.D.C., Phase II, Manpada Road, Dombivli (E) - 421 203 Dist. Thane, Maharashtra, at 12:00 (IST) p.m. on Tuesday, the 22nd September, 2026.

Full name of the shareholder______________________________ Signature_______________________________
(in block capitals)

FolioNo.____/
DP ID No.*____&

Client ID No.*____
*Applicable for members holding shares in electronic mode.

Full name of Proxy____ Signature__________________________
(in block capitals)

Note: Shareholder/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

Form No. 11
Proxy Form
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L99999MH1976PLC019331
Name of the Company: SUNIL INDUSTRIES LIMITED

Name of the member:
Registered address:
Email ID:
Folio No. / Client ID:
DP ID:

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

1. Name:
   Address:
   E-mail ID:
   Signature, ________________________; or failing him/her

2. Name:
   Address:
   E-mail ID:
   Signature, ________________________; or failing him/her

3. Name:
   Address:
   E-mail ID:
   Signature, ________________________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 50th Annual General Meeting of the Company, to be held on Tuesday, the 22th day of September, 2026 at 12:00 p.m. at D-8, M.I.D.C., Phase II, Manpada Road, Dombivli (E) - 421 203 Dist. Thane, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Approval of Audited Financial Statements for the year ended 31st March, 2026
2. Re-appointment of Mr. Vinod Lath, Managing Director who is retiring by rotation and being eligible to offers himself for Re-Appointment.
3. Regularisation of appointment of Ms. Shruti Somani (DIN: 10329346) as Non-Executive and Independent Women Director of the Company
4. Ratification of Remuneration Payable to Cost Auditor for Financial Year 2026-2027

Signed this ________ day of ________________, 2026

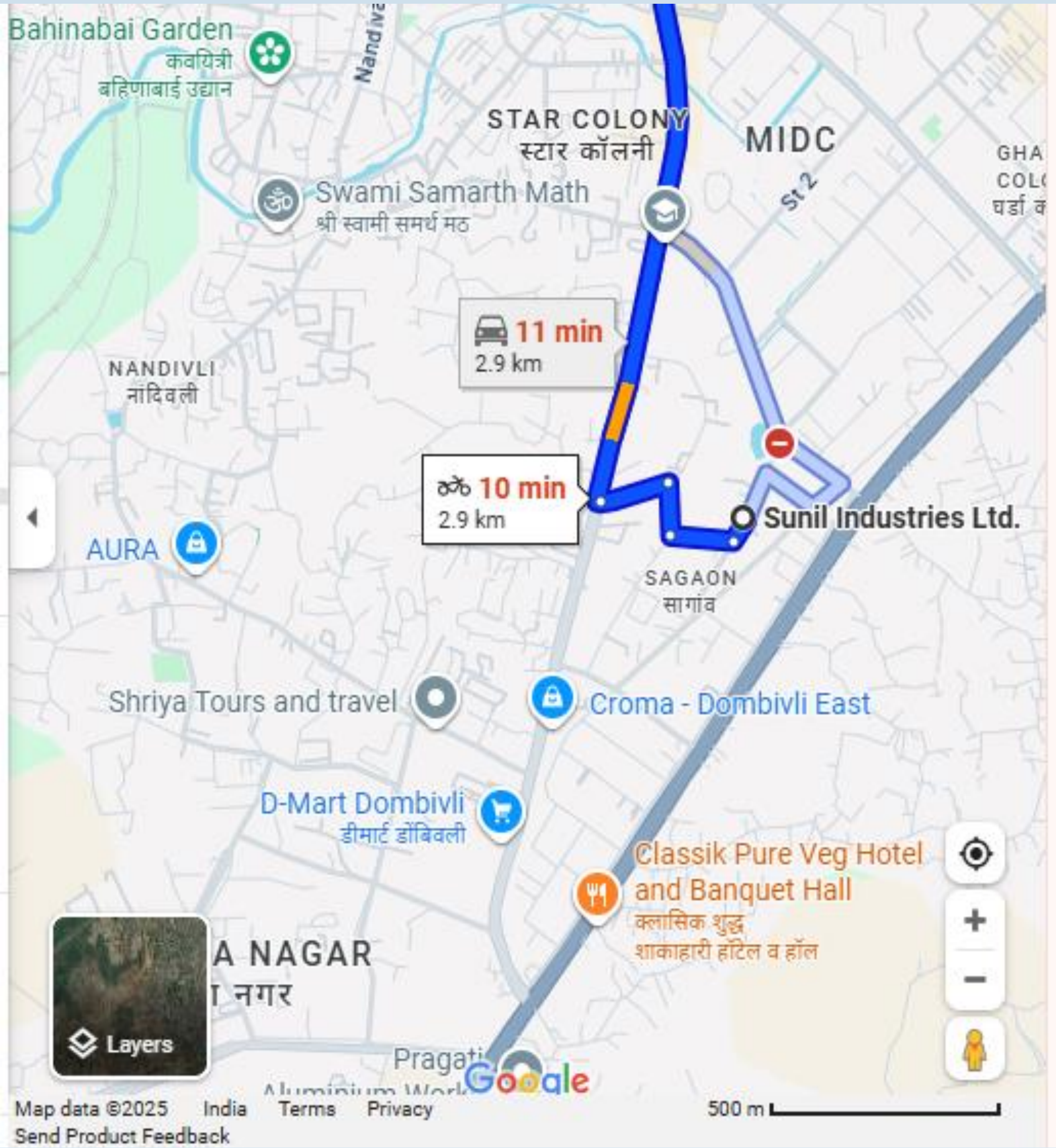
Signature of Proxy holder(s)________________ ________________ ________________

Note: 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

ROUTE MAP

SUNIL INDUSTRIES LIMITED

Registered Office: D-8, MIDC Phase II, Manpada Road, Dombivli (East), Thane – 421201, Maharashtra.



DIRECTORS' REPORT TO THE SHAREHOLDERS FOR FINANCIAL YEAR ENDED 31ST MARCH, 2026.

To,
The Members,
SUNIL INDUSTRIES LIMITED,
DOMBIVLI

Dear Members

Your director's have great pleasure in presenting **50th Annual Report** along with the Audited Balance Sheet and Profit and Loss Account for the financial year ("F.Y.") ended on **31st March, 2026.**

1. FINANCIAL SUMMARY:

The Financial Results are briefly indicated below:

(Rs. In Lakhs)

Particulars	Financial Year 2025-2026 (FY 2026)	Financial Year 2024-2025 (FY 2025)
Revenue from operations	22,604.18	17,184.35
Other Income	24.58	34.87
Total Revenue	**22628.76**	**17,219.22**
Profit before Interest, Depreciation and Tax	601.75	482.95
Less:		
Tax Expenses	141.66	92.86
Profit after Tax	**460.09**	**390.09**
Less : Share of Non-Controlling Interest	**0**	**0**
Net Profit for the year	**460.09**	**390.09**
Other Comprehensive Income	**7.32**	**1.90**
Total Comprehensive Income	**467.41**	**392**

2. PERFORMANCE OF THE COMPANY AND STATE OF COMPANY'S AFFAIRS:

During the Financial Year 2025-26, the Company recorded a total revenue of ₹ 22,628.76 lakhs as against ₹ 17,219.22 lakhs in the previous financial year, reflecting a growth of approximately 31.42%. Revenue from operations stood at ₹ 22,604.18 lakhs compared to ₹ 17,184.35 lakhs in FY 2024-25, while other income amounted to ₹ 24.58 lakhs against ₹ 34.87 lakhs in the previous year. The Company's Profit Before Tax (before interest, depreciation and tax) increased to ₹ 601.75 lakhs from ₹ 482.95 lakhs in the preceding year. After providing for tax expenses of ₹ 141.66 lakhs (Previous Year: ₹ 92.86 lakhs), the Profit After Tax for the year stood at ₹ 460.09 lakhs as compared to ₹ 390.09 lakhs in FY 2024-25, registering a growth of approximately 17.94%. The Company reported Other Comprehensive Income of ₹ 7.32 lakhs against ₹ 1.90 lakhs in the previous year, resulting in a Total Comprehensive Income of ₹ 467.41 lakhs for FY 2025-26 as against ₹ 392.00 lakhs in FY 2024-25. There was no share of Non-

Controlling Interest during the year. The financial performance reflects the Company's continued operational efficiency, improved business volumes and sustained profitability during the year under review.

Discussion on state of Company's affairs has been covered as part of the Management Discussion and Analysis for the year under review.

3. **THE CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There is no change in the nature of business of the Company.

4. **TRANSFER TO RESERVES:**

During the year under review, no amount is proposed to be transferred to General Reserve out of the net profits of the Company for the Financial Year 2025-2026. Hence, the entire amount of profit has been carried forward to the Profit & Loss Reserve Account.

5. **DIVIDEND:**

In order to conserve the reserves for a sustainable future, your Company does not recommend any Dividend during the Financial Year 2025-2026.

6. **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there are no unpaid dividends pending of the Company.

7. **DIVIDEND DISTRIBUTION POLICY**

Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') requires the top 1000 listed entities, based on market capitalization calculated as on March 31, 2026 of every Financial Year, to formulate a Dividend Distribution Policy and disclose the same in the Annual Report and on the website of the Company. However, Your Company is out of purview of top 1000 listed entities based on market capitalization calculated as on March 31 2026. Therefore, it is not applicable to the Company.

8. **SHARE CAPITAL**

As at 31st March, 2026, the Authorised Share Capital of the Company stood at Rs. 5,00,00,000/- (Rupees Five Crores Only) divided into 5,00,000 (Five Lakhs Only) equity shares of Rs. 10/- (Rupees Ten Only) each. The Issued, Subscribed and Paid-up Equity Share Capital of the Company stood at Rs. 4,19,84,000/- (Rupees Four Crore Nineteen Lakh Eighty-Four Thousand Only) divided into 41,98,400 (Forty-One Lakh Ninety-Eight Thousand Four Hundred) equity shares of Rs. 10/- (Rupees Ten Only) each.

9. **DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS**

All the equity shares issued by the Company carry similar voting rights and the Company has not issued any equity shares with differential voting rights during the financial year under review.

10. **DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS**

The Company has not granted any employee stock options (ESOPs) during the financial year under review. Hence, disclosure of ESOPs under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 is not required.

11. **DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES**

The Company, under the provisions of Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014, has not issued any sweat equity shares during the financial year under review and hence the disclosure requirements in this connection will not apply to the Company.

12. BUY-BACK

The Company has not bought back its shares during the financial period under review.

13. ANNUAL RETURN:

The Annual Return pursuant to the provisions of Section 92 read with Rule 12 of (Management and Administration) Rules, 2014 is available at the Website of the Company. www.sunilgroup.com

14. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

During the financial year, the Board had met Five (5) times on 21.05.2025, 14.08.2025, 26.09.2025, 14.11.2025 and 12.02.2026.

15. MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met once during the year on 12th February, 2026 to review the working of the Company, its Board and Committees.

16. DIRECTORS RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013 The Board of Directors of the Company hereby confirms:

i. That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
ii. That the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2026, and that of the profit of the Company for the year ended on that date.
iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
iv. That the annual accounts have been prepared on a going concern basis.
v. The Board has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
vi. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. REPORTING OF FRAUD BY AUDITORS

During the year under review, the Auditors of the Company 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.

18. DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declarations from all these Independent Directors confirming that they meet with the criteria of independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, they fulfil the condition for appointment/ re-appointment as Independent Director on the Board. Further, in the opinion of the Board, the Independent Directors also possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8(5) (iii a) of the Companies (Accounts) Rules, 2014.

19. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL/ EXECUTIVE DIRECTORS

A. Composition of Board of Directors (including Independent Directors/Non-Executive Directors):

During the said financial year, no changes took place in Board of Directors and Key Managerial Personnel of the Company. However, the following changes took place after the end of the said financial year:

(a) Ms. Shruti Saraf ceased to be Independent Non-Executive Director w.e.f. 26th May, 2026 due to completion of her second term as Independent Non-Executive Director of the Company; and

(b) Ms. Shruti Somani was appointed as an Additional Director (Non-Executive and Independent) of the Company w.e.f. 26th June, 2026, and who holds office up to the date of ensuing Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2025 – 2026 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013. Accordingly, it is proposed to regularise her appointment as an Non-Executive Independent Director of the Company to hold office for the period of 5 (five) years w.e.f. 26th June, 2026, at the ensuing Annual General Meeting of the Company.

The present composition of the Board is in compliance with the provisions of Section 149 of the Companies Act, 2013 and consist of Mr. Vinod Lath and Mr. Pradeep Roongta are Executive Directors; Ms. Bindu Darshan Shah, Mrs. Shruti Somani and Mr. Rajesh Tibrewal are the Independent Directors on the Board.

B. Key Managerial Personnel/ Executive Directors:

Mr. Vinod Lath, Managing Director, Mr. Pradeep Roongta, Whole Time Director, Mr. Saurabh Sahu, Company Secretary are the Key Managerial Personnel of the Company.

Mr. Vinod Lath is liable to retire by rotation in this 50th Annual General Meeting and being eligible he has offered himself for re-appointment as Whole Time Director. The Board recommends his re-appointment for your approval.

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

The Board states that during the financial year there has been no new appointment of Independent Directors and its present three Independent Directors fulfil the conditions of integrity, expertise and experience based on the size and operations of your Company. Further the Board hereby states that by virtue of Independent Directors being appointed as for a period of 5 years or more, therefore by virtue of the same the mandatory online proficiency self-assessment test is exempted for the Independent Directors of your Company.

21. ATTRIBUTES, QUALIFICATIONS & INDEPENDENCE OF DIRECTORS THEIR APPOINTMENT AND REMUNERATION

The Nomination & Remuneration Committee of Directors have approved a policy for selection, appointment and remuneration of Directors which inter-alia requires that composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and Senior Management Employees and the Directors appointed shall be of high integrity with relevant expertise and experience so as to have diverse Board and the Policy also lays down the positive attributes/ criteria while recommending the candidature for the appointment as Director. Details of the Nomination, Remuneration and Evaluation Policy are set out are available at website of the Company at www.sunilgroup.com.

The Committee Met **1 (One)** time in the financial year.

22. DISCLOSURE PURSUANT TO SECTION 197(14) OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER

During the Year under review, the Company does not have any Holding or Subsidiary Company. Therefore, the provision as mentioned under Section 197(14) of the Companies Act, 2013 and rules made thereunder are not applicable to the Company.

23. AUDITORS AND AUDITORS REPORT:

A. STATUTORY AUDITORS:

M/s. V.K. Beswal & Associates, Chartered Accountants (Firm Registration No. 101083W), were appointed as the Statutory Auditors of the Company pursuant to the provisions of Section 139(8) of the Companies Act, 2013, to hold office for a term of five consecutive years from the conclusion of 47th Annual General Meeting of the Company until the conclusion of the 52nd Annual General Meeting of the Company to be held in the year 2028.

The Statutory Auditors have confirmed that they continue to satisfy the eligibility criteria prescribed under Sections 139 and 141 of the Companies Act, 2013, and the rules made thereunder, and that they are not disqualified from continuing as the Statutory Auditors of the Company.

In accordance with the provisions of the Companies Act, 2013, as amended, the appointment of Statutory Auditors is not required to be ratified by the members at every Annual General Meeting.

B. COST RECORDS AND COST AUDITOR

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 is applicable to your Company.

M/s. Shanker Chaudhary & Co., Cost Accountant were appointed as Cost Accountants in compliance of Section 148(1) read with Section 139 of the Companies Act, 2013 to audit Cost records maintained by the Company for the financial year commencing from 01st April, 2025 and ending 31st March, 2026.

M/s Shanker Chaudhary & Co, Cost Accountant are appointed as Cost Accountants in the meeting of the Board held on 29th May, 2026 in compliance of Section 148(1) read with Section 139 of the Companies Act, 2013 to audit Cost records maintained by the Company for the financial year commencing from 01st April, 2026 and ending 31st March, 2026 at a remuneration of Rs. 1,50,000 (Rupees One Lakh Fifty Thousand only) plus Service Tax & Re-imbursement of out-of-pocket expenses.

C. INTERNAL AUDITORS:

The company had appointed M/s Chetan Jain & Associates, Chartered Accountants, Mumbai, as Internal Auditor of the company for Financial Year 2025-2026. The company appointed M/s Chetan Jain & Associates, Chartered Accountants, Mumbai, as Internal Auditor of the company for Financial Year 2026-2027 in the meeting of the Board held on 29th May, 2026.

D. SECRETARIAL AUDITOR:

The Company has been appointed M/s HSPN & Associates LLP, Company Secretaries, as Secretarial Auditors of the Company to carry out the Secretarial Audit for a term of 5 (five) consecutive years commencing from financial year 2025-26 till financial year 2029-30 at the Annual General meeting of the company held on 20th September, 2025 and to issue Secretarial Audit Report as per the prescribed format under rules in terms of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The report of secretarial Auditor is appended to this report as **Annexure C** to Director’s Report.

24. EXPLANATION OR COMMENTS ON QUALIFICATION, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICISING COMPANY SECRETATRY IN THEIR REPORTS:

The Statutory Auditor's Report does not contain any qualifications, reservations or adverse remarks, but Secretarial Audit Report contains qualifications pursuant to Regulations 31 (2) of Listing Obligation, Disclosure Requirements, Regulations 2015 for Dematerialization of Promoters shareholding. The company would like to inform that Promoters being distant relatives of each other are scattered all over and hence it is very difficult to convert each promoter's physical holding into Demat, however the company is in the process for conversion of the same as per Regulations 31 (2) of LODR. The Report of the secretarial auditor in MR-3 is given as an Annexure which forms part of this report.

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

The particulars of investment made under Section 186 of the Companies Act, 2013 have been disclosed in the financial statements in Note 3 of the Financial Statement.

The Company has given not given any Corporate Bank guarantee or provided any security falling under Section 185 and 186 of the Companies Act 2013.

26. SUBSIDIARIES AND ASSOCIATE COMPANIES

The Company does not have any subsidiaries, joint venture and associate companies as on 31st March, 2026, therefore report on the highlights of performance of subsidiaries, joint venture and associate companies is not provided in this report.

27. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, transactions are being reported in **Form AOC-2 i.e., Annexure B** in terms of Section 134 Companies (Accounts) Rules, of the Act read with Rule 8 of the 2014. However, the details of the transactions with the Related Party are provided in the Company's financial statements in accordance with the Accounting Standards as applicable to the Company.
All Related Party Transactions are presented to the Audit Committee and the Board and wherever forecasted Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at www.sunilgroup.com.

28. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There have been no material changes and commitments affecting the financial position of the Company occurred during the financial year.

29. CASH FLOW AND STANDALONE FINANCIAL STATEMENTS

As required under Regulation 34 of the Listing Regulations, a Cash Flow Statement and Standalone Financial Statements is part of the Annual Report.

30. CONSERVATION OF ENERGY-TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE ETC:

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is **Annexure A to Director's Report.**

31. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed and also discussed at the meetings of the Audit Committee and the Board of Directors of the Company. Safety at work is being followed at all times.

32. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIALRESPONSIBILITY INITIATIVES:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

33. ANNUAL EVALUATION BY THE BOARD:

In compliance with the Companies Act, 2013, and Regulation 17 of the Listing Regulations, 2015 the performance evaluation of the Board and its Committees were carried out during the year under review. More details on the same are given in the Annexure to Corporate Governance Report.

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

i. Attendance of 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.
v. Commitment to shareholder and other stakeholder interests.
vi. The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

34. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The familiarization programme aims to provide Independent Directors with the Textile industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarization programme also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes. The policy on Company's familiarization programme for Independent Directors is posted on Company's website at www.sunilgroup.com along with the Familiarization programme for F.Y 2025-2026 along with the hours spent on the Programme.

35. PARTICULARS OF EMPLOYEES AND MEDIAN REMUNERATION:

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year:

Name of the Directors	Ratio to Median Remuneration
Non-Executive Directors	
Mr. Rajesh Tibrewal	**NA**
Mrs. Shruti Saraf	**NA**
Ms. Shruti Somani	**NA**
Executive Directors	
Mr. Vinod Lath	**1:10.90**
Mr. Pradeep Roongta	**1: 10.90**
Company Secretary	
Mr. Saurabh Sahu	**1:0.98**

b. **The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:**

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% Increase in Remuneration in the Financial Year
Ms. Bindu Darshan Shah	**NA**
Mr. Rajesh Tibrewal	**NA**
Mrs. Shruti Saraf	**NA**
Mr. Vinod Lath	**Constant**
Mr. Pradeep Roongta	**Constant**
Mr. Saurabh Sahu	**No changes**

c. The median remuneration for the year 2025-2026 is **2,20,132/-**

d. The percentage increase/(decrease) in the median remuneration of employees in the financial year: **(<u>0.00%</u>)**

e. The number of permanent employees on the rolls of Company: 30

f. **The explanation on the relationship between average increase in remuneration and Company Performance:**

The overall decrease in aggregate remuneration is due to reduction of employees. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

g. **Comparison of the remuneration of the key managerial personnel against the performance of the Company:**

Aggregate remuneration of Key Managerial Personnel (KMP) in FY 31.03.2026	
Revenue	**Rs. 2,26,28,75,640**
Remuneration of KMPs (as a % of revenue)	**0.22 %**
Profit before Tax (PBT)	**Rs. 6,01,74,786**
Remuneration of KMP (as a % of PBT)	**8.34 %**

h. Average percentile increases 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:

There is no change in managerial remuneration for the relevant year as compared to previous year.

i. Comparison of each remuneration of the key managerial personnel against the performance of the Company:

	Mr. Vinod Lath (Managing Director)	**Mr. Pradeep Roongta** (Whole-Time Director & CFO)	**Mr. Saurabh Sahu** (Company Secretary)
Remuneration in FY 2025-2026	**Rs. 24,00,000**	**Rs. 24,00,000**	**Rs. 2,16,000**
Remuneration as % of Revenue	**0.11%**	**0.11%**	**0.0095%**
Remuneration as % of Profit before Tax	**3.99%**	**3.99%**	**0.36%**

j. **The key parameters for any variable component of remuneration availed by the directors:**

There are no variable components of remuneration provided to the Directors.

The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None

k. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Nomination and Remuneration Committee of the Company has affirmed that the remuneration is as per the remuneration policy of the Company. The policy is available on the company's website: www.sunilgroup.com.

l. The statement containing particulars and remuneration paid to employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company since there are no employees drawing remuneration in excess of the prescribed limits and hence not disclosed in the Report.

36. DEPOSITS:

The Company has neither accepted nor renewed any deposits during the year under review.

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

During the year no Significant and Material Orders passed by the regulations or Courts or Tribunals impacting the going concern status and Company's operations in future.

38. INTERNAL CONTROL SYSTEM:

The Company's internal controls system has been established on values of integrity and operational excellence and it supports the vision of the Company "To be the most sustainable and competitive Company in our industry". The Company's internal control sy stems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reporte d to the Audit Committee.

39. POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. The Company has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) for reporting and conducting inquiry into the complaints made by the victim on the harassments at the workplace.

Your Directors further state that during the fiscal year 2025-26, there were no complaints received pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The following is reported pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a) Number of complaints filed during the F.Y.: Nil
b) Number of complaints disposed off during the F.Y.: Nil
c) Number of complaints pending as on end of the F.Y.: Nil

40. INSOLVENCY AND BANKRUPTCY CODE

During the year, there was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 hence the requirement to disclose the details of application made or proceeding pending at the end of financial year is not applicable.

41. DISCLOSURE UNDER RULE 8(5)(XII) OF THE COMPANIES (ACCOUNTS) RULES, 2014

During the year, there were no instances where your Company required the valuation for one-time settlement or while taking the loan from the Banks or Financial institutions. The requirement to disclose the details of difference between amount of valuat ion 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.

42. COMPLIANCE WITH MATERNITY BENEFIT ACT, 1961

The Company is fully compliant with the provisions of the Maternity Benefit Act, 1961, and all applicable rules and amendments thereof. The Company provides maternity benefits, including paid leave and other entitlements, to eligible women employees in accordance with the Act.

During the financial year 2025-26, the Company has ensured that all eligible women employees have been granted maternity leave and associated benefits as per the statutory requirements. The internal policies of the Company also support a safe and inclu sive work environment for women during and post maternity period.

The Company continues to foster a workplace that promotes health, well-being, and equality for all employees.

43. VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT

There has been no voluntarily revision in the financial statements and board's report for the previous financial years.

44. COMMITTEES OF THE BOARD

The Board/Company has duly constituted the following mandatory Committees pursuant to the provisions of the Act; 2013 rules framed there under and SEBI Listing Regulations.

As on 31st March, 2026, the Board has the following Committees:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee

The Composition of all above Committees, number of meetings held during the year under review, brief terms of reference and other details have been incorporated in the Section of Corporate Governance Report forming part of this Report.

All the recommendations made by the Committees were accepted by the Board.

45. VIGIL MECHANISM POLICY FOR DIRECTORS AND EMPLOYEES:

The Board of Directors of the Company has, pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Whistle Blower Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The Company has also provided direct access to Chairman of Audit Committee on reporting issues concerning the interests of co-employees and the Company. The Vigil Mechanism Policy is available at the website of the company: www.sunilgroup.com. No instance under the Whistle Blower Policy was reported during the financial year 2025-2026.

46. REGISTRAR AND SHARE TRANSFER AGENT

M/s MUFG Intime India Private Limited, C 101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai - 400083, Maharashtra, is the Registrar and Share Transfer Agent of the Company for the physical and Demat shares. The members are requested to contact directly for any requirements.

47. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

The Management's Discussion and Analysis Report for the year under review, as stipulated under regulation 34 (3) and Part B of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, is annexed to this Annual Report.

48. CORPORATE GOVERNANCE:

The Company is committed towards maintaining the highest standards of Corporate Governance and adhering to the Corporate Governance requirements as set out by Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under Regulation 34 (3) and Part C of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 forms part of the Annual Report. The Certificate from the practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34 (3) and Part E of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 is also published in this Annual Report.

49. REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance as stipulated under Regulation 34 (3) and Part C of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 prepared by HSPN Associates& LLP, Company Secretaries, forms part of the Annual Report and is annexed hereto as **Annexure D**.

50. SECRETARIAL STANDARDS:

Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2 as revised by the ICSI, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been followed by the Company.

51. POLICIES:

The Company seeks to promote highest levels of ethical standards in the normal business transaction guided by the value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates formulation of certain policies for Listed Companies. The Policies are reviewed periodically by the Board and are updated based on the need and compliance as per the applicable laws and rules and amended from time to time. The policies are available on the website of the Company at www.sunilgroup.com.

52. 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 and delivering leading-edge products backed with dependable after sales services.

53. REPORTING OF FRAUDS

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instance of fraud committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Act, details of which need to be mentioned in this Report.

54. EVALUATION OF BOARD

Pursuant to the provisions of the Act and provisions of SEBI Listing Regulations, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non - Independent Directors was carried out by the Independent Directors. The Board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration, Corporate Social Responsibility as well as Stakeholders' Relationship Committee. The Directors expressed their satisfaction with the evaluation process.

55. 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. Actual results may differ materially from those expressed in the statement. 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 other various other factors.

56. ACKNOWLDEGEMENTS

Your Company wishes to sincerely thank all the customers, commercial banks, financial institution, creditors etc. for their continuing support and co-operation.

Your directors express their appreciation for the dedicated and sincere services rendered by the employees of the company and also sincerely thank the shareholders for the confidence reposed by them in the company and from the continued support and co-operation extended by them

ON BEHALF OF THE BOARD
FOR SUNIL INDUSTRIES LIMITED

SD/-
VINOD LATH
MANAGING DIRECTOR& CHAIRMAN
DIN NO: 00064774

DATE: 21st August, 2026
PLACE: DOMBIVLI.

ANNEXURE A TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2026.

Information pursuant to the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY:

In line with the company's commitment towards conservation of energy, all units continue with their endeavour to make more efficient use of energy through improved operational and maintenance practices. The measures taken in this direction at the units are as under:

- Replaced inefficient motors with energy efficient motors;
- Installed power factor capacitor banks to save energy;
- Heat recovery from CRP hot water to boiler feed;
- Increase in temperature of feed water for saving on coal consumption in boilers;
- Sheds were covered by installing Natural ventilation equipment;
- Made use of waste water generated by cooling coil moisture;
- Trimming of impellers to save on power consumption in chilled water pumps;
- During the year the company commissioned a 670 kW rooftop solar asset on the spinning unit located at Tamilnadu and successfully generated clean electricity. By self-generating this power on-site, we mitigated 370.68 metric tonnes of CO_2 emissions from our corporate footprint, satisfying our regional Scope 2 climate reduction goals. From a broader environmental view, this sustainability milestone effectively matches the annual carbon-capturing capacity of over 16,800 mature trees or offsetting more than 3 million kilometers of standard passenger car driving. The initiative underscores the Company's continued commitment to expanding renewable energy adoption and reducing its environmental footprint.

		31/03/2026	31/03/2025
A.	**POWER & FUEL CONSUMPTION**		
1.	Electricity		
a)	Purchased:		
	Units (in lakhs) (in kwh)	33.55	78.49
	Amount in Rupees (in lakhs)	239.56	587.71
	Rate per Unit (in Rupees)	7.14	7.49
B.	**CONSUMPTION PER UNIT OF PRODUCTION**		
	Fabrics (kwh/meter)	0.61	0.20

B. TECHNOLOGY ABSORBTION

Regarding Research and development and technology absorption is not enclosed due to the fact that there is at present no scope for R&D and absorbing any new technology in view of type of product which is accepted by the customers. However, your company shall certainly go for it in future if any new development in technology takes place.

C. RESEARCH AND DEVELOPMENT

Regarding Research and development and technology absorption is not enclosed due to the fact that there is at present no scope for R&D and absorbing any new technology in view of type of product which is accepted by the customers. However, your company shall certainly go for it in future if any new development in technology takes place.

Research and Development (R & D)	31/03/2026 Rs.	31/03/2025 Rs.
Expenditure on (R & D)	Nil	Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows are as under:

Particulars	**31/03/2026 Rs in Lakhs**	**31/03/2025 Rs in Lakhs**
Foreign exchange Earnings	--	--
(FOB Value of Exports)	--	--
Foreign Exchange outgo:		
Cloth imported (Purchased)	--	--
Machine Imported (CIF Value)	--	--
Foreign travel	--	--

ON BEHALF OF THE BOARD

FOR SUNIL INDUSTRIES LIMITED

SD/-
VINOD LATH
MANAGING DIRECTOR& CHAIRMAN
DIN NO: 00064774

DATE: 21st AUGUST, 2026
PLACE: DOMBIVLI

ANNEXURE B TO THE DIRECTORS' REPORT

FORM NO. AOC – 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

1. Details of contracts or arrangements or transactions not at Arm's Length Basis:

(a) Name(s) of the related party and nature of relationship	**NIL**
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at Arm's Length Basis:

(a) Name(s) of the related party and nature of \Relationship	Mrs. Beena Roongta (Relatives of Executive Directors)	Mr. Prateek Roongta (Relatives of Executive Directors)
(b) Nature of contracts/ arrangements/ transactions	Salary Paid	Salary Paid
(c) Duration of the contracts / arrangements/transactions	Yearly	Yearly
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	12,00,000	15,00,000
(e) Date(s) of approval by the Board, if any:	03-02-2025	03-02-2025
(f) Amount paid as advances, if any	-	-

(a) Name(s) of the related party and nature of \Relationship	Vandana Textiles (Controlled by the relative of Executive Director of the Company)
(b) Nature of contracts/ arrangements/ transactions	Rent Paid
(c) Duration of the contracts / arrangements/transactions	Yearly
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	9,00,000
(e) Date(s) of approval by the Board, if any:	03-02-2025
(f) Amount paid as advances, if any	-

ON BEHALF OF THE BOARD
FOR SUNIL INDUSTRIES LIMITED

SD/-
VINOD LATH
MANAGING DIRECTOR & CHAIRMAN
DIN NO: 00064774

DATE: 21st AUGUST, 2026
PLACE: DOMBIVLI

ANNEXURE C TO DIRECTOR'S REPORT
SECRETARIAL AUDIT REPORT

Form No. MR-3
FOR FINANCIAL YEAR ENDED ON 31ST MARCH, 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Sunil Industries Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SUNIL INDUSTRIES LIMITED** (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers and minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March 2026, to the extent applicable to the Company:

i. The Companies Act, 2013 ("The Act") and the Rules made thereunder;
ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv. Foreign Exchange Management 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") to the extent applicable to the Company:
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable to the Company during the period under review;**
    d. The Securities and Exchange Board of India (Registrars to and Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable to the Company during the period under review**;
    e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable to the Company during the period under review;**
    f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable to the Company during the period under review;**
    g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable to the Company during the period under review;**
    h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable to the Company during the period under review**; and
    i. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

vi. The Management has identified and confirmed the following applicable Acts, Laws and Regulations specifically applicable to the Company being the Company is into the business of textile industries:

a. The Factories Act, 1948
b. The Air (Prevention and Control of Pollution) Act, 1981 and the Rules made thereunder.
c. The Water (Prevention and Control of Pollution) Act, 1974 and Rules.
d. Environment Protection Act, 1986 read with Environment (Protection) Rules, 1986.
e. Pollution Prevention and Control Act 1999.
f. The Weight and Measures Act.

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

a. Secretarial Standards 1 and 2 issued and revised by The Institute of Company Secretaries of India.
b. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines, mentioned above subject to the following observation:

Please note that some of the equity shares held by the Promoter and Promoter's group are pending to be dematerialized as required under the provisions of Regulation 31(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

We further report that:

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

- As on date of this Report Ms. Shruti Ritesh Saraf (DIN: 07521927) ceased to be a Non-Executive and Independent Director of the Company w.e.f. 26th May, 2026.

- Ms. Shruti Satyanarayan Somani (DIN: 10329346) was appointed as an Additional Non-Executive and Independent Director of the Company w.e.f. 26th June, 2026 and pursuant to provision of Section 161 of the Companies Act, 2013, Ms. Shruti Satyanarayan Somani (DIN: 10329346) hold office up to the date of this Annual General Meeting or the last date on which Annual General Meeting should be held for the year 2025-26 subject to shareholders approval in the ensuring Annual General Meeting.

- Further the board propose to appoint Further, subject to shareholders approval the Board recommends to regularize the appointment of Ms. Shruti Satyanarayan Somani as Non-Executive Independent Director of the Company for a term of 5(Five) as Non-Executive and Independent Director of the Company.

- Pursuant to the completion of the term of Ms. Shruti Ritesh Saraf (DIN: 07521927), who ceased to be an Independent Director of the Company, and the appointment of Ms. Shruti Satyanarayan Somani (DIN: 10329346) as an Independent Director, the Committees of the Company were duly reconstituted with effect from 26 June 2026.

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

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

We further report that during the audit period:

a. During the year under review, the Company availed a vehicle loan amounting to ₹ 45,81,000/- (Rupees Forty-Five Lakhs Eighty-One Thousand only) from Union Bank of India and executed a Deed of Hypothecation (Vehicles) Agreement for creation of charge over the vehicles of the Company. The Company filed Form CHG-1 for registration of the aforesaid charge after the prescribed period and paid the applicable additional fees on account of such delay.

Place: Mumbai
Date: 21st August, 2026
UDIN: A075123H001183472

For HSPN & Associates LLP
Company Secretaries

Sd/-
Kunal Sakpal
Designated Partner
ACS No.: 75123
COP No.: 27860
Peer Review No.: 6035/2024

This report is to be read with our letter of even date which is annexe as Annexure I and forms an integral part of this report.

Annexure – I to Form MR - 3

To,
The Members,
Sunil Industries Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.

3. We have not verified the correctness appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: 21st August, 2026

For HSPN & Associates, LLP
Company Secretaries

Sd/-
Kunal Sakpal
Designated Partner
Peer Review No.: 6035/2024

ANNEXURE D TO THE DIRECTORS REPORT
CORPORATE GOVERNANCE REPORT

In terms of Regulation 34(3) read with Para C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a Report on Corporate Governance for the year ended 31st March, 2025 is presented below:

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company has adopted a Code of Conduct for the Board and Senior Management of the Company. In addition, the Company has adopted a Code for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act"). The Company's corporate governance philosophy has been further strengthened through the Code of Conduct for Prevention of Insider Trading and the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

2. BOARD OF DIRECTORS:

The Board of Directors ("the Board") plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board.

The Directors of the Company are persons of integrity and bring to the Board a wide range of knowledge, experience, diversity of thought and skills. The Board effectively carries out its responsibilities like providing strategic guidance to the Company, code of conduct for the executives, disclosure of information about their concerns and interests, adherence to the Code of Conduct etc. and the Board applies high ethical standards and acts with due diligence, care and in the best interest of the Company and its stakeholders.

The Board of Directors are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

a) Composition and Category of Board of Directors:

The composition of the Board of the Company is in compliance with the provisions of Regulation 17 of the Listing Regulations read with Section 149 of the Act. The Board of your Company has an optimum combination of Executive and Non-Executive Directors, where fifty percent of the Board of Directors are Independent Directors.

- The Board of the Company comprised of 5 (Five) Directors as on March 31, 2026 out of which 1 (One) is Managing Director, 1 (One) Whole Time Director, 3 (three) are Independent Non-Executive Directors and amongst them 2 (Two) is Women Non-Executive Independent Director of the Company.
- There isn't any Nominee Director or Institutional Directors appointed in the Company.
- None of Directors has pecuniary or business relationship with the Company other than as mentioned elsewhere in Annual Report. No Director of the Company is either member in more than 10 (Ten) committees and/or Chairman of more than 5 (Five) committees across all Companies in which he or she is a director.

- After the closure of the year under review Ms. Shruti Satyanarayan Somani (DIN: 10329346) (DIN: 07131459) has been appointed as Additional Non- Executive Independent Director w.e.f. 26th June, 2026.
- Ms. Shruti Saraf (DIN: 07521927) ceased to hold office as a Non-Executive Independent Director of the Company with effect from the close of business hours on 26th May, 2026, upon completion of her second consecutive term as an Independent Director, in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Mr. Pradeep Chatruprasad Roongta (DIN:00130283) is re-appointed as Whole-time Director in Annual General Meeting held on 20th September 2025 who was liable to rotation.

b) **<u>Details of attendance of each director at the meeting of the board of Directors and the last Annual General Meeting:</u>**

The following table gives the attendance of the Directors at Board Meetings of the Company and also other Directorship other than the Company and Chairmanship/Membership in Board Committees of public limited companies:

Sr. No.	Name of Director	Category	No. of Board Meeting Held	No. of Board Meetings attended	Board Meetings Attended	Attendance at Last AGM dated 20th Sept' 2025
1.	Mr. Vinod Lath	Promoter Chairman & Managing Director	**5**	**5**	21.05.25, 14.08.25, 26.09.25, 14.11.25 and 12.02.26.	Yes
2.	Mr. Pradeep Roongta	Whole Time Director	5	5	21.05.25, 14.08.25, 26.09.25, 14.11.25 and 12.02.26.	Yes
3.	Mr. Rajesh Tibrewal	Independent and Non-Executive Directors	5	5	21.05.25, 14.08.25, 26.09.25, 14.11.25 and 12.02.26.	Yes
4.	Ms. Bindu Darshan Shah	Independent and Non- Executive Directors	5	5	21.05.25, 14.08.25, 26.09.25, 14.11.25 and 12.02.26.	Yes
5.	Ms. Shruti Saraf	Woman Independent Non-Executive Director	5	5	21.05.25, 14.08.25, 26.09.25,	Yes

					14.11.25 and 12.02.26.	
6.	Ms. Shruti Somani	Additional Independent Non-Executive Director	NA	NA	NA	NA

Ms. Shruti Somani (DIN: 10329346) was appointed as a Director of the Company with effect from 26th June, 2026, i.e., after the close of the financial year under review. Accordingly, she was not a member of the Board during the financial year under review and, therefore, she did not attend any Board Meetings held during the year.

c) Number of other board of directors or committees in which a director is a member or Chairperson

Sr. No.	Name of Director	*No. of other Directorship	No. of other Committee Membership in other Companies	No. of Other Committee Chairmanship in other Companies
1.	Mr. Vinod Lath	2	Nil	Nil
2.	Mr. Pradeep Roongta	1	Nil	Nil
3.	Mr. Rajesh Tibrewal	0	Nil	Nil
4.	Ms. Bindu Darshan Shah	5	Nil	Nil
5.	Ms. Shruti Saraf	Nil	Nil	Nil
6.	Ms. Shruti Somani	Nil	Nil	Nil

***Other directorship in Private as well as Public Companies are considered.**

d) Number of meetings of the board of directors held and dates on which held:

During the year, there were in total 6 (Six) Board Meetings were held. The time gap between the two meetings was not more than 120 days. All the information required to be furnished to the Board was made available to them along with detailed Agenda notices.

The dates on which the Board Meetings were held are as follows:

1. 21.05.2025
2. 14.08.2025
3. 26.09.2025
4. 14.11.2025
5. 12.02.2026

e) Disclosure of Relationships between Directors Inter-se:

- Mr. Vinod Lath is the Managing Director & Chairman and is related to Mr. Pradeep Roongta being a relative as per provisions of Companies Act, 2013.

- Mr. Pradeep Roongta is the CFO & Whole-time Director and is related to Mr. Vinod Lath being a relative as per provisions of Companies Act, 2013.

- Mr. Rajesh Tibrewal is a Non-Executive Independent Director and is not related to any of the other members of the Board of Directors.

- Ms. Shruti Saraf is a Non-Executive Independent Woman Director and is not related to any of the other Members of the Board of Directors.

- Ms. Bindu Darshan Shah is a Non-Executive Independent Woman Director and is not related to any of the other Members of the Board of Directors of the Company.

- Ms. Shruti Somani is a Non-Executive Independent Director and is not related to any of the other Member of the Board of Directors of the Company.

f) **Number of shares and convertible instruments held by Non-Executive Directors;**

Sr. No	Name of the Non-Executive Director	No. of Shares held	No. of convertible instruments held
1.	Rajesh Tibrewal	Nil	Nil
2.	Shruti saraf	Nil	Nil
3.	Bindu Darshan Shah	Nil	Nil
4.	Shruti Somani	Nil	Nil

Note: None of the Non-Executive Directors are holding equity shares other than those mentioned above. The Company has not issued any non-convertible securities.

g) **Details of Familiarization programmed imparted to Independent Directors for FY 2025-2026:**

On appointment, the concerned Director is issued a Letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through an induction and familiarization program including the presentation and interactive session with the Managing Director & CEO, Executive Committee Members and other Functional Heads on the Company's manufacturing, marketing, finance and other important aspects. The program also includes visit to the plant to familiarize them with all facets of textile manufacturing. The details of familiarization program imparted for FY 2024-2025 can be accessed from the website: www.sunilgroup.com.

h) **The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:**

Business Management	Understanding of business dynamics, during various market conditions, industry verticals and regulatory jurisdictions and applying the same in organising, planning and analysing company's business operation.
Strategy, Leading and Planning	Setting priorities, focusing resources and motivating employees towards achievement of common goal and objective of the organisation.
Corporate Governance	Developing good corporate governance practices that impacts all aspects of the organisation linked to transparency, accountability and trust, which serve the best interests of all stakeholders and strike a right balance between board and management accountability.

Leadership	Inspires and nurtures team for commitment, spirit, trust and also motivates to accomplish the goals.
Sales, Marketing & Brand building	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation.
Understanding of Consumer and Customer Insights in diverse environments & conditions	Experience of having managed organisations with large consumer / customer interface in diverse business environments and economic conditions which helps in leveraging consumer insights for business benefits.

In the table below, the areas of core competencies, skills and attributes of Individual Directors have been highlighted

Sr. No	Name of Director	Business Management	Strategy, Leading & Planning	Corporate Governance	Leadership	Sales, Marketing & Brand building	Understanding of Consumer and Customer Insights
1.	Mr. Vinod Lath	Yes	Yes	Yes	Yes	Yes	**Yes**
2.	Mr. Pradeep Roongta	Yes	Yes	-	-	-	**Yes**
3.	Ms. Bindu Darshan Shah	Yes	-	Yes	Yes	Yes	-
4.	Mr. Rajesh Tibrewal	Yes	Yes	Yes	Yes	-	**Yes**
5.	Mrs. Shruti Saraf	**Yes**	-	**Yes**	-	-	**Yes**
6.	Ms. Shruti Somani	**Yes**	-	**Yes**	-	**Yes**	**Yes**

i) **Confirmation that in the opinion of the board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management:**

The Board confirms that the Independent Directors of the Company fulfil the conditions specified in SEBI (LODR) regulations, 2015 and the Companies Act, 2013 and are independent of the management. Further there has been no resignation of an Independent Director before the expiry of his tenure during the Financial Year 2025-2026. However, after the closure of financial year the second term of Ms. Shruti Saraf completed as on 26.05.2026 and she ceased to be Independent Non-executive Director of the Company, w.e.f, 26.05.2026.

j) **Detailed reasons for the resignation of an Independent Director:**

After the closure of financial year, the second term of Ms. Shruti Saraf completed w.e.f. 26.05.2026 and she ceased to be Independent Non-executive Director of the Company. Completion of Tenure. However, there has been no resignation of any Independent Director during the period under review.

3. Audit Committee:

a. Brief Description of Terms of Reference:

Broad terms of reference of the Audit Committee are as per following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to Statutory Auditor for any other services rendered by the Statutory Auditor;
4. Reviewing with the management, the annual financial statements and Auditor's report thereon before submission to the Board for approval, with particular reference to:
   i. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
   ii. Changes, if any, in accounting policies and practices and reasons for the same;
   iii. Major accounting entries involving estimates based on the exercise of judgment by management;
   iv. Significant adjustments made in the financial statements arising out of audit findings;
   v. Compliance with listing and other legal requirements relating to financial statements;
   vi. Disclosure of any related party transactions;
   vii. Modified opinion(s) in the draft audit report;
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutional placements and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the Auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of Statutory and Internal Auditor, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with Internal Auditor of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the Internal Auditor into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with Statutory Auditor before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower [including existing loans / advances / investments].
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders.
23. The Audit Committee shall mandatorily review the following information:
   i. management discussion and analysis of financial condition and results of operations;
   ii. management letters / letters of internal control weaknesses issued by the Statutory Auditor;

iii. internal audit reports relating to internal control weaknesses;

iv. the appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the audit committee and

v. statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

In addition to the aforesaid, the Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the Listing Regulations as amended from time to time and that of the Act.

b. Composition, Name of Members and Chairperson:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 Listing Obligation and Disclosure Requirement, 2015. The Audit Committee comprises of 3 Non-Executive Independent Directors and 1 Executive Director.

The Audit Committee met Four (4) times in financial year 2025-2026 viz: 27-May-2025, 14-August-2025, 14-November-2025 and 12-February-2026. The necessary quorum was present in the said meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 20th September, 2025. The composition of the Committee during the year 2025-2026 and the details of meetings held and attended by the members are as under:

Sr. No	Name	Designation
1.	Mr. Rajesh Tibrewal	Chairman
2.	Ms. Shruti Saraf*	Member
3.	Mr. Pradeep Roongta	Member
4.	Ms. Bindu Darshan Shah	Member

Mr. Saurabh Sahu, Company Secretary & Compliance officer is the secretary to the Audit Committee.

Subsequent to the closure of the financial year, pursuant to the resignation of Ms. Shruti Saraf (DIN: 07521927) from the position of Non-Executive Director of the Company, the Audit Committee was reconstituted by the Board of Directors in compliance with the applicable provisions of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The reconstituted Audit Committee comprises members meeting the prescribed composition requirements under the applicable laws which are as follows w.e.f 26th June, 2026:

Sr. No	Name	Designation
1.	Mr. Rajesh Tibrewal	Chairman
2.	Ms. Shruti Somani*	Member
3.	Mr. Pradeep Roongta	Member
4.	Ms. Bindu Darshan Shah	Member

*Ms. Shruti Somani was appointed by the Board as Additional Non-Executive Independent Director in the meeting of the Board held on 26th June, 2026.

c. Meetings and Attendance during the year:

The Audit Committee has held 4 (Four) meetings during the year and attendance of the meetings is given below:

The Audit Committee met **4 (Four)** times in Financial Year 2025-2026 viz. 27-May- 2025, 14-Aug-2025, 14-Nov-2025 and 12-Feb-2026.

Sr. No	Name of Director	Category of Directorship	No. of Committee Meeting attended
1.	Mr. Rajesh Tibrewal	Independent Director	4
2.	Ms. Shruti Saraf	Independent Director	4
3.	Mr. Pradeep Roongta	Whole-Time Director	4
4.	Ms. Bindu Darshan Shah	Independent Director	4

Mr. Rajesh Tibrewal is the Chairman of the Audit Committee and was present at the last AGM of the Company held on 20th September, 2025 to answer the shareholder's queries.

The Audit Committee invites the CFO, senior executives representing various functional areas of the Company, Statutory Auditor and Internal Auditor at its meetings. The Company Secretary acts as the Secretary to the Committee.

Significant audit observations and follow up actions thereon are reported by the Committee.

The Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

4. Nomination & Remuneration Committee:

a. Brief Description of Terms of Reference:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
2. In case of appointment of independent director, to evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors.
4. Devising a policy on diversity of board of directors.
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. To recommend to the Board all remuneration, in whatever form, payable to senior management.

b. Composition, Name of Members and Chairperson:

The composition of the Nomination and Remuneration Committee during the Financial Year 2025-2026 is as follows:

Sr. No	Name	Designation
1.	Mr. Rajesh Tibrewal	Chairman
2.	Ms. Shruti Saraf*	Member
3.	Ms.Bindu Shah	Member

Subsequent to the closure of the financial year, pursuant to the resignation of Ms. Shruti Saraf from the position of Non-Executive Director of the Company, the Nomination & remuneration Committee was reconstituted by the Board of Directors at its meeting held on 26th June, 2026 in compliance with the applicable provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The reconstituted Committee comprises members meeting the prescribed composition requirements under the applicable laws which are as follows:

Sr. No	Name	Designation
1.	Mr. Rajesh Tibrewal	Chairman
2.	Ms. Shruti Somani*	Member
3.	Ms. Bindu Shah	Member

*Ms. Shruti Somani was appointed by the Board as Additional Non-Executive Independent Director in the meeting of the Board held on 26th June, 2026.

c. **Meeting and Attendance during the year:**

The Nomination and Remuneration Committee has held 1 (One) meeting viz.14th August, 2025 during the year. The attendance of the meetings is given below:

Sr. No	Name of Director	Category of Directorship	No. of Committee Meetings attended
1.	Mr. Rajesh Tibrewal	Independent Director	1
2.	Ms. Shruti Saraf	Independent Director	1
3.	Ms. Bindu Darshan Shah	Independent Director	1

d. **Performance Evaluation Criteria for Independent Directors:**

- **Guidelines regarding appointment of directors**: The Nomination & Remuneration Committee have approved a Policy for the Selection, Appointment and Remuneration of Directors. In line with the said Policy, the Committee facilitate the Board in identification and selection of the Directors who shall be of high integrity with relevant expertise and experience so as to have well diverse Board.

  Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and the retirement policy laid down by the Board from time-to-time. The Managing Director and all the Non-Executive Directors (except Independent Directors) are liable to retire by rotation unless otherwise specifically provided under the Articles of Association or under any statute. As required under Regulation 46(2)(b) of the Listing Obligation and Disclosure Requirements, Regulations, 2015 the Company has issued formal letters of appointment to the Independent Directors. The terms & conditions of appointment of their appointment are posted on the Company's website and can be accessed at www.sunilgroup.com.

- **Membership term:**
  As per the Articles of Association of the Company, at least two- thirds of the Board of Directors should be retiring Directors. One-third of these Directors are required to retire every year and if eligible, the retiring Directors qualify for re-appointment.

- **Meeting of Independent Directors:**
  The Company's Independent Directors met on 12th February, 2026 without the presence of the Managing Director & CEO, Non- Independent Directors and the Management Team. The meeting was attended by all the Independent Directors and was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company

- **Succession policy:**
  The Board constantly evaluates the contribution of its members and recommends to shareholders their re-appointment periodically as per the statute. Executive Directors are appointed by the shareholders for a maximum period of Five years of one term, but are eligible for re-appointment upon completion of their term. Non-Independent, Non-Executive Directors do not have any term, but retire by rotation as per the law.

- **Performance Evaluation Criteria of Independent Directors:**
  During the year, the Board adopted a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues, quality of contribution to Board deliberations, commitment to shareholders and other stakeholder interests etc.

- **Code of Conduct:**
  The Board of Directors has adopted the code of conduct for the directors and senior management and the same has been placed on the company's website http://www.sunilgroup.com .

  All board members and senior management personnel have affirmed compliance with the code of conduct for the period under review. A declaration to that effect signed by the Managing Director is attached and forms part of the Annual Report of the Company.

5. Stakeholder's Relationship Committee:

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of Section 178(5) of the Companies Act, 2013 read with Regulation 20 Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015. Stakeholders' Relationship Committee of 3 Non- Executive Independent Directors.

The Committee periodically reviews the status of Stakeholders' Grievances and Redressal of the same. The Committee met 1 (One) time in FY 2025-2026- viz:14th August, 2026. The composition of the Committee during financial year 2025-2026 and the details of meetings held and attended by the Directors are as under:

The Stakeholder Relationship Committee has been constituted with 3 members. The committee consists of three Non-Executive Independent Directors. The committee looks into the shareholders and investors grievances that are not settled at the level of Compliance Officer and helps to expedite the share transfers and related matters.

The role of the committee shall inter-alia include the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Following were the members of the Committee:

Sr. No	Name	Designation
1.	Mr. Rajesh Tibrewal	Chairman
2.	Ms. Shruti Saraf	Member
3.	Ms. Bindu Shah	Member

Subsequent to the closure of the financial year, pursuant to the resignation of Ms. Shruti Saraf from the position of Non-Executive Director of the Company, the Stakeholders' Relationship Committee was reconstituted by the Board of Directors at its meeting held on June 26, 2026, in compliance with the applicable provisions of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The reconstituted Committee comprises members meeting the prescribed composition requirements under the applicable laws.

Following are the members of the Committee:

Sr. No	Name	Designation
1.	Mr. Rajesh Tibrewal	Chairman
2.	Ms. Shruti Somani*	Member
3.	Ms. Bindu Shah	Member

*Ms. Shruti Somani was appointed by the Board as Additional Non-Executive Independent Director in the meeting of the Board held on 26th June, 2026.

Meeting and Attendance during the year:

The Stakeholder's Relationship Committee has 2 (Two) time in FY 2025-2026 viz: 06th May, 2025 and 15th July, 2025. The attendance of the meetings is given below:

Sr. No	Name of Director	Category of Directorship	No. of Committee Meetings attended
1.	Mr. Rajesh Tibrewal	Independent Director	2
2.	Ms. Shruti Saraf	Independent Director	2
3.	Ms. Bindu Darshan Shah	Independent Director	2

a. **Name of Non-Executive Director heading the committee:**

Mr. Rajesh Tibrewal, the Chairman and Independent Non-Executive Director is the head of the committee.

b. **Name and Designation of Compliance Officer:**

Mr. Saurabh Sahu (Membership Number: A55322), who is Company Secretary is also the Compliance Officer of the Company.

c. **Number of Shareholder's Complaints received so far:**

The company received (Nil) complaints from Shareholders during the Financial Year 2025-2026.

d. **Number unsolved to the satisfaction of shareholders:**

There were no unsolved complaints to the satisfaction of shareholders.

e. **Number of Pending Complaints:**
There were no shareholder complaints

There were no investor grievances which remained unattended/pending for resolution for more than 30 days. Requests for share transfers and dematerialization received during the financial year have been processed within the time limit prescribed under the Listing Regulations.

5A. Risk Management Committee

The Company is not required to form a risk management committee.

5B. Senior Management:

Particulars of Senior Management including the changes therein during the financial Year 2025-26:

Sr. No	Name	Designation	Changes, if any
1.	Pradeep Roongta Chatruprasad	CFO	-
2.	Saurabh Sahu	Company Secretary & Compliance Officer	-
3.	Hriday Narayan Singh, Accounts Manager	Accounts Manager	-

6. **Remuneration to Directors:**

a. **All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company**

Non-Executive Directors of the Company are not paid any sitting fees for attending board and committee meetings and no commission is drawn by either of them during the year under review.

b. The Company has not granted any stock options to any of its Non-Executive Independent Directors **Criteria of making payments to non-executive Directors:**

The Nomination and Remuneration Policy devised in accordance with Section 178 (3) and (4) of the Companies Act, 2013 is available at the website of the Company: http://www.sunilgroup.com . Further, criteria of making payments to non-executive directors, the details of remuneration paid to all the Directors and the other disclosures required to be made under Listing Obligation and Disclosure Requirement, 2015 have been provided in the said policy and Nomination and remuneration policy adheres to the terms and conditions of the policy while approving the remuneration payable.

c. **Disclosures with respect to remuneration:**

a. **Details of Remuneration Paid to the Directors:**
The remuneration of the managing director and executive director is recommended by the Remuneration Committee, then approved by the Board of Directors and subsequently by the shareholders in general meeting within the limits prescribed in Companies Act, 2013.

Details of remuneration paid to Executive Directors:

Name of Director	Mr. Vinod Lath	Mr. Pradeep Roongta
Designation	Managing Director	Chief Financial Officer & Whole Time Director
Salary	Rs. 24,00,000	Rs. 24,00,000
Performance bonus	--	--
Provident Fund & Gratuity Fund	--	--
Stock Option	--	--

Details of remuneration paid to Non-Executive Directors:

Name	Mr. Rajesh Tibrewal	Ms. Bindu D. Shah	Ms. Shruti Saraf
Sitting fees	Nil	Nil	Nil
Remuneration	Nil	Nil	Nil
No. of Equity shares	Nil	Nil	Nil

Commission	Nil	Nil	Nil
Non-Convertible Instruments	Nil	Nil	Nil
Stock Option	Nil	Nil	Nil

b. Details of fixed component and performance linked incentives, along with the performance criteria:

Directors are not provided with any performance linked incentives, along with the performance linked criteria.

c. Service contracts, notice period, severance fees:

None of the Directors have Services Contracts, apart from agreements made towards their appointment as Whole-time Directors/ Managing Director. The notice period for Resignation is 30 days however due to certain inadvertent or significant unavoidable circumstances notice of Resignation can be served and accepted without the mandatory period of 30 days.

d. Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:

The company has not issued any Stock Options either to its Directors or to its Employees.

7. General Body Meetings:

a. Details of last 3 (Three) Annual General Meetings and whether any Special Resolutions were passed in those three Annual General Meeting are given below:

Financial Year	Date	Time	Location	Special Resolution(s)
2022-23	23.09.2023	03.00 pm	Through video conferencing or other audio-visual means.	NA.
2023-24	28.09.2024	12.30 pm	Physical at the registered office of the Company.	1. Re-appointment of Vinod Lath as Managing Director of the company. 2. Re-appointment of Pradeep Roongta as Whole-Time director and Chief Financial Officer of the company.
2025-26	20.09.2025	12.00 PM	Physical at the registered office of the Company.	NA.

All special resolutions set out in the notices for the AGM were passed by the members at the respective meeting with requisite majority. In the above AGMs necessary quorum was present. There was no request by members for voting by poll and all the businesses were unanimously approved by Members.

b. **Extra-ordinary general meeting:**

No Extra Ordinary General Meeting of Members or Meetings of Creditors was held during last 3 years and there was no instance of Court convened meeting during last 3 years.

c) There were no Special/Ordinary resolutions passed during last year through Postal Ballot nor does the Company thus far has any plan to conduct postal Ballot and hence is not required to produce Procedure of Postal Ballot.

8. MEANS OF COMMUNICATION:

a) Yearly/Quarterly Results:

The yearly/quarterly results are duly reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company and the same have been submitted to BSE in due course of time. The Company has its website named as www.sunilgroup.com.

b) Newspapers where Yearly/Quarterly Results are Published:

The Yearly/Quarterly results are published in one English language newspaper being and one Marathi language newspaper.

c) Website where Yearly/Quarterly Results are Published:

The Yearly/Quarterly results are duly hosted on the Website of the Company at www.sunilgroup.com and is easily accessible in public domain at the Website of BSE Limited at https://www.bseindia.com/stock-share-price/sunil-industries-ltd/suniltx/521232. The results and other mandatory information about the Company is hosted at the website of the Company at www.sunilgroup.com . The website contains details as required under LODR, 2015 and Companies Act, 2013.

d) Whether it also displays any official news releases

The Company has not made any official news release during the year under review.

e) Presentations made to institutional investors or to the analysts

During the year, no presentation was made to institutional investor or analysts.

9. GENERAL SHAREHOLDERS INFORMATION:

a. Annual General Meeting - Date, Time and Venue:

a.	AGM (Date, Time and Venue)	:	The 50th AGM will be held on 22th September, 2026 at 12.00 noon at its registered office situated at D 8 MIDC Phase II, Manpada Road Dombivli (East), Thane, Maharashtra, India, 421201.
b.	Financial Year	:	1St April, 2025 to 31st March, 2026
c.	Listing Details	:	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001. Annual Listing Fees for the financial year upto 2025-26 have been paid to the Stock Exchange within the stipulated time.
d.	Scrip Code Trading group ISIN Symbol	: : : :	521232 “P” Group INE124M01015 SUNILTX

b. Financial Year:

The Financial year of the company is from April to March. The financial calendar is as per following.

Financial reporting for the quarter ending 30th June, 2025 / First Quarter results	On or before 14th August, 2025
Financial reporting for the quarter ending 30th September, 2025 / Second Quarter and Half yearly results	On or before 14th November, 2025
Financial reporting for the quarter ending 31st December, 2025 / Third Quarter results	On or before 14th February, 2025
Financial reporting for the quarter and year ending 31st March, 2026 / Fourth Quarter and Annual results	On or before 30th May, 2026

c. The securities of the Company are actively traded on BSE Ltd. and NSE Ltd. and not suspended from trading for the year.

d. Registrar to an issue and Share Transfer Agent

M/s. MUFG Intime India Pvt. Ltd. (formerly known as Link Intime India Pvt. Ltd. up to 30th December, 2024) C - 101, Embassy 247, L. B. S. Marg, Vikhroli (West), Mumbai – 400083.
Tel No: +9122 4918 6000.
Email – rnt.helpdesk@in.mpms.mufg.com
Website - www.in.mpms.mufg.com

They are also the depository interface of the Company with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

e. Share Transfer System

The shares in de-materialized form are processed and transferred within 15 days from receipt of de-materialization requests.

f. Distribution of shareholding as at 31st March, 2026

No. of shares	No. of shareholders	% of shareholders	Total shares for the range	% of issued capital
Up to 500	5667	95.38	699300	16.65
501-1000	109	2.17	108600	2.58
1001–2000	36	0.94	86800	2.07
2001-3000	12	0.30	45600	1.09
3001- 4000	10	0.17	35700	0.85
4001-5000	14	0.24	66500	1.58
5001-10000	14	0.24	113100	2.69
10001 & above	34	0.57	3044400	72.49
Total	**5896**	**100**	**42,00,000**	**100**

Distribution of Shareholding on the basis of ownership as on 31st March, 2026

Category	Number of shares held	% of total shareholding
Corporate Bodies (Promoter Group)	1292100	30.76
Promoters (Individual)	1158900	27.59
Other Bodies Corporate	161300	3.84
Banks	300	0.01

Escrow Account	400	0.01
Hindu Undivided Family	12300	0.29
Mutual Funds	4800	0.11
Non-Resident Indians	164400	3.91
Public	1385800	33.19
Body Corporate - Ltd Liability Partnership	500	0.01
Office Bearers	10900	0.29
Total	**4191700**	**100**

g. De-materialization of shares:

The Company has availed connectivity for both the Depositories i.e., National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) with ISIN – INE124M01015.

As on 31st March, 2026, 71.39 % of the Company's total shares representing 29,98,200 shares were held in de-materialized form & the balance 28.61% representing 12,01,800 shares in physical form. The details are given below:

Type	No. of Shares	% Shareholding
De-materialized shares With N.S.D.L With C.D.S.L	 18,30,245 11,67,955	 43.58 27.81
Total Demat Shares Physical shares	29,98,200 12,01,800	71.39 28.61
Total	**42,00,000**	**100.00**

Shares in Demat mode have more liquidity as compared to shares held in physical mode. Therefore, the Company recommends shareholders holding shares in physical form to convert their shareholdings in Demat mode.

h. Company has not issued ESOP or any GDRs/ADRs/ Warrants/Convertible instrument

i. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company has not entered into any commodity contracts as on 31st March, 2025. Foreign Exchange receivables and payables are re-stated at the exchange rate prevailing on the Balance Sheet date to reflect mark to market valuation. Forward contract on foreign exchange are marked to market on the date of the balance sheet and the gain or loss there in recognized in the Statement of Profit & Loss.

j. Plant Locations

Unit/ Plant	**Address**
Spinning Unit:	**S. F. Mo. 324/1, Karungal Village, Anapatti Post, Vedasandur Taluk, Dist. Dindigul – 624 620**
Weaving Unit:	**Plot No. 60-B, Parvati Industrial Area, Kondigre Road, Near Gangajal Water Tank, Yadrav, Ichalkaranji**
Processing Unit:	**D-8, MIDC, PHASE II, Manpada Road, Dombivli (E), Dist. Thane**

k. Address for correspondence

Investor correspondence should be addressed to the Registrar- M/s. MUFG Intime India Pvt. Ltd. (Formerly known as Link Intime India Pvt. Ltd upto 30th December, 2024) whose address is provided in this section of the Annual Report.

And/ or

Company Secretary
Sunil Industries Limited
D/ 8, M.I.D.C., Phase II, Manpada Road, Dombivli (E), Thane, Maharashtra, 421203.
Tel.: +91-22-6997 0010 / 57
Email: cssunilgroup@gmail.com

To allow us to serve shareholders with greater speed and efficiency, the Company strongly recommends email-based correspondence on all issues, which do not require signature verification for being processed.

SEBI has introduced a common Online Dispute Resolution ("ODR") mechanism to facilitate online resolution of all kinds of disputes arising in the Indian securities market. Members shall initially raise their disputes directly with the Company/ RTA and through SEBI Complaints Redress System (SCORES) Platform. If the disputes are not resolved or any Member is not satisfied with the resolution provided, then disputes may be raised on SCORES Portal. Further, if Member is not satisfied with the resolution provided by any of the above platforms, the dispute may be raised on ODR Portal. The ODR platform can be accessed at http://smartodr.in and the same can also be accessed through Company's website at https://www.sunilgroup.com/policies.html .

Credit rating obtained during the year: - Not Applicable

10. Other Disclosures

a. Materially significant related party transactions:

There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management or their relatives or that had potential conflict with the Company's interest. Suitable disclosure as required by the Accounting Standard (AS 18) and AOC-2 have been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is available on the Company's website at www.sunilgroup.com .

b. Details of non-compliance:

The Company has complied with the necessary provisions of Listing Obligation and Disclosure Requirements, Regulations 2015 apart from Regulation 31(2) towards compulsory Demat holding of Promoters. The Promoters being distant relatives of each other are scattered all over and hence it is very difficult to convert each promoter's physical holding into Demat, however the company is in the process for conversion of the same as per Regulations 31 (2) of LODR, 2015.

c. Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Chairman:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation27(2) of Security and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015., the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The Company also affirms that no employee of the Company was denied access to the Audit Committee.

The said Whistle-Blower Policy has been hosted on the website of the Company at www.sunilgroup.com .

d. Details of compliance with mandatory requirements and adoption of the non- mandatory requirements:

The Company has complied with the mandatory requirements of Corporate Governance as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further the Company has also complied with the corporate governance requirements specified in Regulations 17 to 27 and the mandatory requirements under Schedule II and Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company to the extent possible has adopted certain non-mandatory requirements as part of good corporate governance practice.

Discretionary Requirements as per Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

i) The Board
The Chairman is reimbursed for the expenses incurred in performance of his duties. The Company is having 1 (One) Woman Independent Director on its Board.

ii) Shareholder Rights
The Company ensures that the disclosure of all the information is disseminated on a non-discretionary basis to all the shareholders. During the year, the Company's quarterly/half yearly/yearly results were published in one English daily newspaper circulated all over India/substantially all over India.

iii) Modified Opinion in Audit Report
There is no audit qualification in the Company's financial statements for the year ended on 31st March, 2026. The Company continues to adopt best practices to ensure the regime of unqualified financial statements.

iv) Separate Post of Chairman and Managing Director or Chief Executive Officer
The post of Chairman and Chief Executive Officer are not held by separate persons.

v) Reporting of Internal Auditor
The Internal Auditor report their findings to the CFO and has direct access to the Audit Committee of the Company.

e. **Web link where policy of determining 'material' Subsidiaries is disclosed:**
The Company does not have any subsidiary hence formation of material subsidiary policy is not applicable to the Company.

f. **Web link where policy on dealing with Related Party Transactions:**
There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management or their relatives or that had potential conflict with the Company's interest. Suitable disclosure as required by the Accounting Standard (AS 18) and AOC-2 has been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at www.sunilgroup.com .

g. **Disclosure of commodity price risks and commodity hedging activities:**

Disclosures are not required since the Company does not have a Commodity Price Risk or foreign exchange risk and hedging activities as the same are not applicable Company.

h. **Details of utilization of funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A).**

There hasn't been any utilisation of funds through Preferential Allotment or Qualified Institutional Placement as per Regulation 32 (7A) in the Financial Year.

i. **Certificate from a Company Secretary in practice that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

A certificate that none of the Directors on the Board of the Company have been disqualified or debarred from continuing or being appointed as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been obtained for HSPN & Associates LLP, Practicing Company Secretaries and is attached to this report.

j. **The board had accepted all the recommendations obtained by the committees of the board which was otherwise mandatorily required to be obtained in the relevant Financial Year 2025-26.**

k. <u>Total fees for all services paid by the listed entity, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.</u>

Audit Fees paid to Statutory Auditor: Rs. 6,04,800/-.
Other Fees paid- Nil

l. <u>Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:</u>

i. Number of complaints filed during the Financial Year: NIL
ii. Number of complaints disposed of during the Financial Year: NIL
iii. Number of complaints pending as on end of the Financial Year: NIL

m. <u>Disclosure by the Company and its subsidiaries of loans and advances in the nature of loans to firms/ companies in which directors are interested</u>

The details are mentioned in related parties transactions in financial statement. Hence, not reproduced here.

n. <u>Details of material subsidiaries of the Company including the date and place of incorporation and the name and date of appointment of statutory auditors of such subsidiaries:</u> N.A.

11. <u>Non- compliance of any requirement of Corporate Governance Report, with reasons thereof:</u>

The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the Listing Regulations except Regulation 6(1) and 23(9) of the Listing Regulations.

12. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in part E of schedule II have been adopted. The details are as follows:

The disclosures regarding the compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations are provided in the Annual Report at various sections.

<u>CODE OF CONDUCT</u>

The Board has adopted the Code of Conduct for the Board and Senior Management personnel of the Company. The Code lays down, in detail, the standards of business conduct, ethics and governance.

It is the responsibility of all Directors and employees to familiarize themselves with this Code and comply with its standards. The Board and the Senior Management of the Company annually affirm compliance with the Code.

A certificate of the CEO, Chairman and Managing Director and to this effect is annexed to this report. The Code of Conduct has also been posted on the Company's website at https://www.sunilgroup.com/

<u>CEO/CFO CERTIFICATION</u>

The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed to this Report.

<u>PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE</u>

As stipulated in Para E of Schedule V of the Listing Regulations, the Certificate from Practicing Company Secretary regarding compliance of conditions of corporate governance is attached herewith.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

In accordance with the requirement of Regulation 34(3) and Para F of Schedule V to the Listing Regulations, details of equity shares in the suspense account are as follows:

Particulars	Number of Shareholders	Number of Equity Shares
(a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	01	400
(b) number of shareholders who approached the Company for transfer of shares from suspense account during the year;	Nil	Nil
(c) number of shareholders to whom shares were transferred from suspense account during the year;	0	0
(d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	0	0

The voting rights on the shares outstanding in the suspense account as on 31st March, 2026 shall remain frozen till the rightful owner of such shares claims the shares.

DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

During the financial year ended 31st March, 2026, no such agreement was executed by the Company which was required to be disclosed under clause 5A of paragraph A of Part A of Schedule III of Listing Regulations.

MANAGEMENT DISCUSSION AND ANALYSIS

A statement of Management Discussion and Analysis is appearing in Annexures of Board's Report forming part of this Annual Report in terms of the requirement of the Code of Corporate Governance.

PREVENTION OF INSIDER TRADING

In order to regulate trading in securities of the Company by the Promoter, Members of the Promoter Group, Directors and Designated Employees, your Company has adopted a Code of Conduct for trading in listed or proposed to be listed securities of your Company which has also been published on the website of the Company at https://www.sunilgroup.com/. Insider Trading Code prevents misuse of unpublished price sensitive information and it also provides for periodical disclosures and obtaining pre-clearance for trading in securities of your Company by the Promoter, Members of the Promoter Group, Directors, Designated Employees and Connected Persons of your Company.

ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the financial year 2025-26 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report has been submitted to the stock exchanges within 60 days of the end of the financial year.

INTERNAL CONTROL SYSTEMS

The Company has both external and internal audit systems in place. Auditors have access to all records and information of the Company. The Board recognizes the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company. The Board and the management periodically review the findings and recommendations of the statutory and internal auditors and takes corrective actions, whenever necessary.

STATUTORY AUDIT

For F.Y. 2025-26, M/s. V.K. Beswal., Chartered Accountants, audited the financial statements prepared under the Indian Accounting Standards.

The independent statutory auditor's render an opinion regarding the fair presentation in the financial statements of the Company's financial condition and operating results. Their audits are made in accordance with generally accepted auditing standards and include a review of the internal controls, to the extent necessary, to determine the audit procedures required to support their opinion.

On behalf of the Board
For Sunil Industries Limited

Sd/-
Vinod Lath
Managing Director
DIN: 00064774

COMPLIANCE CERTIFICATE BY CFO & CEO

To,
The Board of Directors,
SUNIL INDUSTRIES LIMITED
D-8, MIDC, Phase II,
Manpada Road, Dombivli (E),
Dist. Thane - 421201.

We, Mr. Vinod Lath, Managing Director and Mr. Pradeep Roongta, CFO of the Company as stipulated under Regulation 17(8) and Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, do hereby certify for the Financial Year, ending 31st March, 2026:

a) We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March, 2026 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;

2. These statements together present a true and fair view of the Company's affairs and are in compliance with current applicable accounting standards, applicable laws and regulations.

b) 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 in violation of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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 steps taken or proposed to be taken for rectifying these deficiencies.

d) We have indicated to the Auditors and the Audit Committee:

i. Significant changes, if any, in the internal control over financial reporting during the year.

ii. Significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the Financial Statements; and

iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

FOR SUNIL INDUSTRIES LIMITED

Sd/-
MR. VINOD LATH
(MANAGING DIRECTOR)

FOR SUNIL INDUSTRIES LIMITED

Sd/-
MR. PRADEEP ROONGTA
(CFO)

Date: 21st August, 2026
Place: Dombivli

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT ON BEHALF OF THE BOARD OF DIRECTORS AND SENIOR MANAGMENT

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, Mr. Vinod Lath, 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, 2026.

ON BEHALF OF THE BOARD
FOR SUNIL INDUSTRIES LIMITED

SD/-
VINOD LATH
MANAGING DIRECTOR& CHAIRMAN
DIN NO: 00064774
DATE: 21st AUGUST, 2026
PLACE: DOMBIVLI

<u>**CERTIFICATE ON CORPORATE GOVERNANCE FROM PRACTICING COMPANY SECRETARIES**</u>

To,
The Shareholders,
SUNIL INDUSTRIES LIMITED
D-8, MIDC, Phase II,
Manpada Road, Dombivli (E),
Dist. Thane

The Corporate Governance Report prepared by **SUNIL INDUSTRIES LIMITED** ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2026 pursuant to the Listing Agreement of the Company with the Bombay Stock Exchange Limited (Herein after referred to as the "Stock Exchange").

Management's Responsibility:
The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

Auditor's Responsibility:
Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether for the year ended March 31, 2026 the Company has complied, with the conditions of Corporate Governance as stipulated in the Listing Regulations. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion:
In our opinion, based on our examination of the relevant records and to the best of our information and according to explanations given to us, and representations provided by the management, we certify that, the Company has complied with the conditions of Corporate Governance as stipulated, in the above-mentioned Listing Regulations.

Other Matters and Restriction on use:
We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, for the year ended March 31, 2026, and it should not be used by any other person or for any other purpose.

Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

PLACE: MUMBAI
DATE: 21st AUGUST, 2026
UDIN: A075123H001183571

For HSPN & Associates LLP
COMPANY SECRETARIES

SD/-
KUNAL SAKPAL
DESIGNATED PARTNER
ACS NO. 75123
COP NO. 27860

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SUNIL INDUSTRIES LIMITED having CIN L99999MH1976PLC019331 and having registered office at D-8 MIDC PHASE II, Manpada Road Dombivli (East) Thane MH 421201 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

SR. NO.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT
1.	Vinod Gajanand Lath	00064774	02/07/1979
2.	Pradeep Chatruprasad Roongta	00130283	01/11/1999
3.	Rajesh Sitaram Tibrewal	00130509	22/08/2017
4.	Ms. Bindu Darshan Shah	07131459	29/06/2024
5.	Shruti Ritesh Saraf (Ceased To Be Director W.E.F. 26th May, 2026)	07521927	27/05/2016
6.	Shruti Somani (Appointed As Director W.E.F. 26th June, 2026)	10329346	26/06/2026

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

PLACE: MUMBAI
DATE: 21st AUGUST, 2026
UDIN: A075123H001183538

FOR HSPN & ASSOCIATES LLP
COMPANY SECRETARIES

SD/-
KUNAL SAKPAL
DESIGNATED PARTNER
ACS NO. 75123
COP NO. 27860

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A) GLOBAL ECONOMIC OVERVIEW:

The **Indian textile industry** is one of the oldest and most significant sectors of the Indian economy, contributing substantially to **employment**, **exports**, and **GDP**. Globally, India is recognized as a **leading producer and exporter of textiles and garments**, with a strong presence across the **entire value chain** – from fibre to fashion.

1. Post-pandemic global consumption of textiles rebounded in 2025–2026.
2. Rising demand in the **US, EU, and Middle East** has positively impacted Indian exports.
3. The shift towards **sustainable fashion** benefits Indian organic and handloom sectors.

India signed **Free Trade Agreements** with the UAE, Australia, and UK (under negotiation), leading to:

- Reduced tariffs
- Better market access
- Increased competitiveness of Indian garments

Export Performance (2025–2026)

Category	Export Value (USD Billion)	Growth (YoY %)
Cotton Textiles	14.1	+6.8%
Readymade Garments (RMG)	18.6	+6.3%
Man-made Fibre (MMF) Textiles	9.1	+8.3%
Handloom & Handicrafts	2.4	+14.3%

B) INDIAN ECONOMIC OVERVIEW

India's growth continues to be resilient despite some signs of moderation in growth, says the World Bank in its latest India Development Update, the World Bank India's biannual flagship publication.

The **textile and apparel industry** is a cornerstone of the Indian economy, deeply integrated with both rural livelihoods and industrial growth. It contributes significantly to:

- **GDP**: ~2.3% of India's total GDP
- **Industrial Output**: ~13% of total manufacturing production
- **Employment**: ~45 million direct jobs and ~100 million indirect jobs
- **Exports**: ~10% of India's total merchandise exports
- **Cotton Textiles** – India is the world's **largest producer of cotton**
- **Man-Made Fibres (MMF) –** Fast-growing due to global demand
- **Handlooms & Handicrafts –** Major rural employer; strong export potential
- **Technical Textiles –** High-potential, industrial-use segment
- **Readymade Garments (RMG)** – Major contributor to exports

Despite heightened global trade tensions in FY26, India remained the fastest-growing major economy, with growth accelerating to 7.6 percent, up from 7.1 percent in FY25. The current account deficit stood at 1 percent of GDP, and fiscal consolidation continued, bringing the general government deficit to 7.4 percent of GDP. Employment rates remained stable, and formal job creation strengthened. In FY27, growth is projected at 6.6 percent, reflecting headwinds from the Middle East conflict. While India's strong macroeconomic buffers offer some protection against downside risks, the conflict underscores the importance of energy diversification, prudent fiscal management, and trade diversification. A technical Annex of this update discusses India's February 2026 GDP rebasing, which updated the base year to 2022-23. This process led to a downward revision of nominal GDP levels, reflecting a reassessment of the size of the informal economy. The Indian textile industry remains a **pillar of economic strength**, with a unique combination of **traditional artisanship and modern industrial production**. With rising domestic demand, policy support, and a push for export competitiveness, the sector is poised for **robust and inclusive growth** in the coming decade.

C) INDUSTRY STRUCTURE AND DEVELOPMENT:

The Indian textile and apparel industry continues to be one of the country's largest manufacturing sectors, contributing significantly to employment generation, industrial production, exports, and economic growth. The industry encompasses the complete value chain, ranging from fibre and yarn to fabrics, garments, technical textiles, and value-added textile products. Increasing domestic consumption, expanding export opportunities, government policy support, and growing emphasis on sustainable manufacturing continue to strengthen the long-term growth prospects of the sector.

During FY 2025–26, the industry benefited from improving global demand, diversification of international sourcing under the "China Plus One" strategy, and enhanced focus on quality, sustainability, and supply chain resilience. Government initiatives such as the Production Linked Incentive (PLI) Scheme, PM MITRA Parks, and the National Technical Textiles Mission have further strengthened the competitiveness of the Indian textile industry by encouraging investment, technology adoption, infrastructure development, and export growth.

The industry is witnessing increasing adoption of advanced manufacturing technologies, automation, digitalisation, and environmentally sustainable production practices to meet evolving customer requirements and international quality standards. Growing demand for high-performance fabrics, specialised textiles, uniforms, and value-added textile products has created new opportunities for integrated textile manufacturers.

Sunil Industries Limited, an ISO 9001 and ISO 14001 certified company, is well positioned to leverage these opportunities through its fully integrated manufacturing operations. Having commenced operations in 1976 as a small textile processing unit, the Company has evolved into a composite textile manufacturer with in-house capabilities spanning spinning, weaving, knitting, processing, stitching, and the manufacture of finished textile products. This integrated manufacturing model enables the Company to maintain stringent quality standards, optimise production efficiencies, ensure timely deliveries, and offer customised textile solutions to its customers.

The Company continues to serve several Central and State Government departments and institutions, which reflects the confidence reposed in its manufacturing capabilities, product quality, and operational reliability. Continuous investment in modern technology, quality management systems, and environmentally responsible manufacturing processes enables the Company to manufacture a wide range of fabrics in various colours, camouflage prints, and specialised applications, catering to the diverse requirements of institutional and industrial customers.

Going forward, the Company remains focused on enhancing operational efficiency, expanding its product portfolio, strengthening customer relationships, and adopting innovative manufacturing technologies to sustain its competitive position in the evolving textile industry.

The textile industry being majorly an unorganized and fragmented sector the entire industry size and figures cannot be estimated. The textiles market in India has grown tremendously over the decade. Indian textile industry is maturing and with urban population evolving, demand for casuals, sports and fashion textiles is picking up. Millenials are very brand conscious and demand for branded wear is on the rise. There is growth in the industry in tier I and II markets and brand awareness is growing significantly.

D) OPPORTUNITIES AND THREATS:

Accelerated reopening of activities have re-opened opportunities for the textile market which were quiet for a long time. Further, China plus one policy by USA and Europe will lead to increase in demand for the Indian Market. With an added advantage of high-quality standards and globally renowned accreditations, our Company will be forging ahead with its sustainability vision to build potential so as to grab opportunities coming its way.

The demand for clothing in India and other countries is on the rise. The flow of orders has been progressively increasing for last few years. Your Company is well poised to seize opportunities available in the textile industry on account of its state-of-the-art production facilities, technical expertise, good quality culture and emphasis on product innovation and growth potential.

Market is shifting towards Branded Garment. Your Company has been ahead in making investment in plant and machinery to meet the growth and meet the huge demand creation in the market. We are constantly experimenting products made from innovative yarns and eco-friendly chemicals for manufacturing most comfortable clothing. These technically innovative products are much in demand by international brands. Given the unrelenting spread of the second wave of pandemic and the large-scale impact on the lives of the people, the near-term outlook for the Indian economy is uncertain impacting the growth prospects, the threat of slow demand for few quarters is possible.

E) OUTLOOK:

Coming year will be challenging with respect to pricing. Due to constant investment in latest machinery your company is able to target a vast audience, enhancing product quality, improving delivery schedules and giving superior customer service. Expectations are high, prospects are bright, but capitalizing on the new emerging opportunities will be a challenge for the textile manufacturing Companies.

The Company is optimistic of growth through continued network expansion and innovation. The Business will continue to focus on increasing the premium and fashion quotient of its offerings on the basis of a deep understanding of consumer preferences and delivering products of world-class quality.

F) BUSINESS OUTLOOK:

The Indian economy continued to demonstrate resilience during FY 2025–26, supported by strong domestic demand, stable macroeconomic fundamentals, sustained public capital expenditure, and continued policy reforms. India remained one of the fastest-growing major economies globally, despite geopolitical uncertainties, evolving global trade dynamics, and volatility in commodity and energy prices. According to the World Bank's India Development Update (April 2026), India's economy recorded an estimated growth of 7.6% during FY 2025–26 and is expected to maintain a healthy growth trajectory in the coming years, supported by robust domestic consumption, manufacturing expansion, and infrastructure development.

The textile and apparel industry is expected to continue benefiting from increasing domestic consumption, rising demand for quality and value-added textile products, favourable government initiatives, and diversification of global sourcing under the "China Plus One" strategy. Policy measures such as the Production Linked Incentive (PLI) Scheme, PM MITRA Parks, and continued focus on manufacturing competitiveness are expected to further strengthen India's position as a preferred global textile manufacturing hub. At the same time, the industry will continue to monitor global economic conditions, trade policies, foreign exchange movements, and fluctuations in raw material and energy costs, which may influence demand and operating margins.

Sunil Industries Limited is well positioned to capitalize on these opportunities through its integrated manufacturing capabilities encompassing spinning, weaving, knitting, processing, stitching, and the manufacture of finished textile products. The Company's long-standing relationships with Central and State Government departments and institutions, together with its emphasis on quality, timely delivery, technological advancement, and environmentally responsible manufacturing practices, continue to strengthen its competitive position.

Going forward, the Company will continue to focus on operational excellence, capacity utilization, product innovation, quality enhancement, cost optimization, and sustainable manufacturing practices. Leveraging its integrated operations and strong customer relationships, the Company remains confident of creating long-term value for its stakeholders while maintaining sustainable and profitable growth.

G) SEGMENT-WISE PERFORMANCE OR PRODUCT WISE PERFORMANCE:

The company has only one segment i.e., Manufacturing of Textiles, therefore the requirement of segment-wise reporting is not applicable to the Company.

H) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company maintains adequate and effective Internal Control Systems commensurate with its size and complexity. It believes that these systems provide, among other things, a reasonable assurance that transactions are executed with management authorization. It also ensures that they are recorded in all material respect to permit preparation of financial statements in conformity with established accounting principles along with the assets of the Company being adequately safeguarded against significant loss or misuse. An independent Internal Audit function is an important element of Company's Internal Control System. This is supplemented through an extensive internal audit program and periodic review by the management and the Audit Committee of Board.

I) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the Financial Year 2025-26, the Company recorded a total revenue of ₹ 22,628.76 lakhs as against ₹ 17,219.22 lakhs in the previous financial year, reflecting a growth of approximately 31.42%. Revenue from operations stood at ₹ 22,604.18 lakhs compared to ₹ 17,184.35 lakhs in FY 2024-25, while other income amounted to ₹ 24.58 lakhs against ₹ 34.87 lakhs in the previous year. The Company's Profit Before Tax (before interest, depreciation and tax) increased to ₹ 601.75 lakhs from ₹ 482.95 lakhs in the preceding year. After providing for tax expenses of ₹ 141.66 lakhs (Previous Year: ₹ 92.86 lakhs), the Profit After Tax for the year stood at ₹ 460.09 lakhs as compared to ₹ 390.09 lakhs in FY 2024-25, registering a growth of approximately 17.94%. The Company reported Other Comprehensive Income of ₹ 7.32 lakhs against ₹ 1.90 lakhs in the previous year, resulting in a Total Comprehensive Income of ₹ 467.41 lakhs for FY 2025-26 as against ₹ 392.00 lakhs in FY 2024-25. There was no share of Non-Controlling Interest during the year. The financial performance reflects the Company's continued operational efficiency, improved business volumes and sustained profitability during the year under review.

J) CAUTIONARY STATEMENT:

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations, or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include finished goods prices, raw materials costs and availability, global and domestic demand supply conditions, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future based on subsequent developments, information, or events.

K) HUMAN RESOURCE POLICIES:

Your company considers its human resources as its most valuable assets, among all other assets of the Company. It has been the policy of the company to actuate the talent by providing opportunities to develop themselves within the organization. The company continued to have maintained very cordial & harmonious relations with its employees.

L) RISK's AND CONCERNS:

The major challenge that the textile, apparel and hosiery industry faces is of ever-increasing production costs arising out of rising wages, power and other overheads.

Inflation is expected to remain elevated for the foreseeable future, driven by war-induced commodity price increases and broadening price pressures. In addition, the anticipated increase in interest rates by Central Banks in the coming year are also expected to lower growth and exert pressure on economies particularly those in emerging markets.

In these circumstances, the ability to successfully navigate cost pressures would have a significant bearing on the overall performance of your Company. Diminishing purchasing power and demand due to the economic circumstances could result in fundamental shifts in consumer behaviours and adversely impact the market for textiles and apparel.

Deterioration in supply chain and demand due to pandemic such as COVID-19 have emerged as a significant business risk. Strong supply chain system with robust digitization and interlinking of various divisions is the need of the hour to tackle similar situations in future.

M) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

Name of Metric	FY 2025	FY 2026	% Change Increase (decrease)	Explanation in case change is 25 % or more, as compared to the previous year
Trade Receivables Turnover Ratio	3.93	3.61	-8.18%	NA
Inventory Turnover	4.15	6.98	68.29%	Due to a significant growth in sales and manufacturing volumes during the current financial year.
Current Ratio	1.24	1.26	1.78%	NA
Debt - Equity Ratio	1.12	0.65	-41.32	Due to the strategic repayment of long-term/short-term borrowings during the current financial year.
Net Profit Ratio	0.02	0.02	-9.27	NA
Return on Capital Employed	0.21	0.20	-6.26%	NA
Return on Investment	0.03	0.03	6.88%	NA

ACCOUNTING TREATMENT

The Company is following India accounting standards (IND – AS) for financial year 2025-2026 as notified by the Central Government of India under the Companies (Accounting Standards) Rules under section 133 of the Companies Act, 2013 and as per guideline of the institute of chartered accountants of India in the preparation of financial statements and has not adopted a treatment different from that prescribed in any accounting standard.

ON BEHALF OF THE BOARD
FOR SUNIL INDUSTRIES LIMITED

SD/-

VINOD LATH
MANAGING DIRECTOR & CHAIRMAN
DIN NO: 00064774

DATE: 21st AUGUST, 2026
PLACE: DOMBIVLI

INDEPENDENT AUDITORS' REPORT

To The Members of
Sunil Industries Limited

Report on the Audit of the IND AS Standalone Financial Statements

Opinion

1. We have audited the accompanying Ind AS standalone financial statements of Sunil Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2026, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements")

2. In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Ind AS 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 accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March 2026, and its Profit including other comprehensive income, its cash flows and the change in equity for the year ended on that.

Basis for Opinion

3. We conducted our audit of the Ind AS standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. 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 opinion.

Key Audit Matters

4. 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, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key Audit Matter	Auditor's Response
1. **Revenue Recognition (Ind AS 115)** Revenue recognition under Ind AS 115 requires management to identify performance obligations, determine transaction prices, and recognise revenue as and when control of goods is transferred. The Company supplies textile products including to institutional/statutory customers whose payment terms are linked to contract fulfilment. There is a risk that revenue may be recognised prematurely, or that proper cut-off is not maintained, particularly in respect of year-end transactions and contracts with multiple delivery milestones. We considered this a Key Audit Matter due to the significance of revenue to the financial statements and	**Our audit procedures included:** • Evaluating the design and testing the operating effectiveness of internal controls over revenue recognition including controls over the preparation and approval of sales invoices, despatch documentation and recording of revenue. • Performing cut-off testing on a sample basis to verify that revenue has been recognised in the correct period, particularly for sales made around the year-end (31st March, 2026), by tracing sales to lorry receipts, delivery challans and proof of delivery. • Reviewing the Company's accounting policy for revenue recognition and assessing its compliance with Ind AS 115, including identification of performance obligations in contracts with institutional and statutory customers. • Performing analytical procedures to assess the reasonableness of revenue recognised during the year, including comparison of

Key Audit Matter	Auditor's Response
the judgements inherent in determining when control is transferred.	revenue by product category with prior year and investigation of significant variances. **Conclusion:** Based on our procedures, we did not identify any material misstatement in revenue recognition. The Company's revenue recognition policies are appropriate and have been consistently applied in accordance with Ind AS 115.
2. **Trade Receivables – Recoverability from Statutory and Institutional Bodies (Ind AS 109)** Trade receivables include a significant portion comprises dues from statutory and institutional bodies such as Defence establishments, Paramilitary Forces, Police departments and other government-linked entities (e.g., BSF, CRPF, Kendriya Police Kalyan Bhandar, Navy, SSB), where payment is subject to fulfilment of specific contractual terms and conditions. The inherent delay in payments from such bodies, subject to satisfaction of contractual milestones and administrative approvals, creates uncertainty regarding the timing and ultimate recovery. We considered this a Key Audit Matter given the magnitude of receivables, the concentration risk from institutional customers, and the judgements involved in assessing recoverability and adequacy of ECL provision.	**Our audit procedures included:** • Obtaining and reviewing the ageing analysis of trade receivables as at 31st March, 2026 and evaluating the classification of balances across ageing buckets. • Reviewing the nature and contractual terms of outstanding balances due from statutory/institutional bodies, including scrutiny of contracts, supply orders, government acceptances and correspondence to assess whether performance obligations have been fulfilled and payment conditions met. • Evaluating the adequacy of the ECL provision computed by management under the simplified approach on trade receivables outstanding for more than 3 years, and assessing whether the provision methodology is consistent with Ind AS 109. Conclusion: Based on our procedures, we are satisfied that trade receivables are stated at recoverable amounts. The delays in collection from statutory/institutional bodies are consistent with the nature of such customers and the Company's past experience of recovery. The ECL provision is adequate and appropriately computed.
3. **Contingent Liabilities – Assessment and Disclosure (Ind AS 37)** The Company has the following contingent liabilities as at 31st March, 2026 (disclosed in Note 53): The assessment of whether these matters result in probable outflows and the determination of amounts to be disclosed or provisioned involves significant management judgement. We have considered this a Key Audit Matter due to the complexity of legal and regulatory matters, and the potential for material outflows if outcomes are adverse to the Company.	**Our audit procedures included**: • Obtaining the schedule of contingent liabilities from management and discussing with management the status and likely outcome of each matter. • Reviewing copies of relevant orders, demand notices, appeal filings and correspondence with tax/legal authorities for each disputed matter to assess the merits of management's position. • Evaluating the adequacy and accuracy of disclosures made in Note 53 to the financial statements in accordance with Ind AS 37. **Conclusion:** Based on our review of the available information and management's representations, we concur that no provision is required at this stage. The disclosures in Note 53 are adequate and consistent with the requirements of Ind AS 37.

Information other than the Standalone Ind AS Financial Statements and auditor's report thereon

5. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditors' report thereon.

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

7. 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.

Management's Responsibility for the Standalone Ind AS Financial Statements

8. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements, that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian AccountingStandards (Ind As) specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding the assets of the Company; for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility for the Audit of the Standalone Ind AS Standalone Financial Statements

11. 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 based on these standalone financial statements.

12. 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 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.

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

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

13. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the 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) evaluating the effect of any identified misstatements in the financial statements.

14. 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.

15. 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.

16. 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 auditors’ 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

17. As required by the Companies (Auditor’s Report) Order, 2020 (the “Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. As required by Section143(3) of the Act, we report that:

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

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

c. The Standalone Ind AS Balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind As) specified under Section 133 of the Act, read with relevant rule issued thereunder.

e. During our audit we did not come across any financial transaction or matters which might have an adverse effect on the functioning of the company.

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

g. We do not have any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.

h. With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B".**

19. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations as at 31st March 2026 on its financial positions in its standalone Ind AS financial statements (Refer Note: 53);

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

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

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

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

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

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For V.K. Beswal & Associates
Chartered Accountants
Firm Registration No. 101083W

CA Nishit S Agrawal
Partner
M.NO. 159882
UDIN No. 26159882GRQNHN9482

Place: Mumbai
Dated: 29-05-2026

Annexure A to the Ind AS Standalone Independent Auditor's Report of Sunil Industries Limited for the year ended 31st March 2026

The Annexure "A" as per para 16 referred to in Independent Auditors' Report to the members of the Company on the Ind AS standalone financial statements for the year ended 31st March 2026, we report the following:

i. In respect of Property, Plant & Equipment:

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

B) The Company has maintained proper records showing full particulars of intangible assets.

b) As explained to us, physical verification of these Property, Plant and Equipment is being conducted in a phased programme by the management designed to cover all the assets over a period of three to four years, which in our opinion is reasonable having regard to the size of the Company and the nature of assets. According to the information and explanations given to us no material discrepancies were noticed in such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds in respect of all immovable properties (Other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) are held in the name of the company.

d) The company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31st, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. In respect of Inventories:

a) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management, the coverage and procedure of such verification by the management is appropriate, and discrepancies (which is less than 10% in the aggregate for each class of inventory) noticed on such physical verification between physical stocks and book records were not material considering the operations of the Company and the same have been properly dealt with in the books of account.

b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets; according to the information and explanations given to us and on the basis of records examined by us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors/ other receivables, and other stipulated financial information) filed by the Company with such bank are as per the unaudited books of account of the Company of the respective quarters. (Refer Note 52 to the standalone financial statements)

Name of the Bank	Quarter	Particulars of Securities Provided	Amount as per Books of accounts	Amount as reported in the quarterly return/ statement	Amount of difference
Standard Chartered Bank	Qtr 1	Inventory	2387.95	2387.95	0.00
		Debtors	13398.54	13398.54	0.00
		Creditors	6171.42	6171.35	0.07

	Qtr 2	Inventory	1777.60	1777.59	0.01
		Debtors	9907.70	9907.70	0.00
		Creditors	2567.99	2567.96	0.03
	Qtr 3	Inventory	1871.19	1871.19	0.00
		Debtors	7218.95	7218.95	0.00
		Creditors	942.57	942.65	-0.08
	Qtr 4	Inventory	2436.50	2436.49	0.01
		Debtors	7349.77	7349.76	0.01
		Creditors	2186.65	2186.56	0.09

iii. **a)** The company has made investment and granted unsecured loans to employees & other parties during or outstanding in the year, in respect of which:

Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has not granted any loans or advances or guarantees or security to subsidiaries, joint ventures and associates.

Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has granted loans to parties other than subsidiaries, joint ventures and associates as below:

Particulars	**Loans (Amount in Lakhs)**
Aggregate amount given during the year – Others	-
Balance outstanding as at balance sheet date – Others	7.11

b) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are no prejudicial to the Company's interest.

The investments made and outstanding at the year-end are, prima facie, not prejudicial to the Company's interest.

c) In respect of the aforesaid loans, the loans to employees are interest free and in case of other parties the loans along with interest are repayable on demand, and the parties are repaying the principal amounts, as demanded, and are also regular in payment of interest as applicable.

d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.

e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to some parties to settle the existing overdue loans.

f) The Company has granted Loans without specifying any terms or period of repayment and details of which are given below:

Particulars	**Others (Amount in Lakhs)**
Aggregate of loans: -	7.11

Agreement does not specify any terms or period of repayment	
Percentage of loans to the total loans	100%

iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with. Further, the Company has not given any guarantee or provided any security under Section 185 and 186 of the Act.

v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits, hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act. Further, according to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.

vii. In respect of Statutory Dues:

a) According to the records of the Company and the information and explanations given to us, the Company has generally been regularly depositing with the appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income tax, Sales-Tax, Service tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues applicable to it. There are no undisputed statutory dues as referred to above as at 31st March, 2026 outstanding for a period of more than six months from the date they become payable.

b) ccording to the information and explanations given to us, the dues in respect of Income Tax, Goods and Service Tax (GST), Sales ax, Duty of Customs, Excise Duty, Service Tax, Cess and other statutory dues that have not been deposited with the appropriate uthorities on account of dispute and the forum where the disputes are pending are given below: -

Name of the Statue / Nature of Dues	Amount (Lakhs)	Forum where disputes pending
Custom duty	336.00	Appellate Tribunal(CESTAT)
TNVAT (inclusive of penalty of Rs.20.82 Lakhs)	28.04	The Appellate Deputy Commissioner (CT)
Disputed Goods & Services Tax (GST) for the F.Y. 2017-18 to 2019-20	232.11	Commissioner Appeal GST Act Central Excise

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. **a)** Based on our audit procedures and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or on the payment of interest thereon to any lender.

b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion, term loans availed and outstanding in the books of the Company, were applied by the Company for the purposes for which the loans were obtained.

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

e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x. a) According to information and explanations given to us, the company has not raised moneys during the year by way of initial public offer or further public offer (including debt instruments), Accordingly, provisions of clause 3(x)(a) of the Order are not applicable to the Company.

b) According to information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year by way requirements of section 42 and section 62 of the Companies Act, 2013. Accordingly, provisions of clause 3(x)(b) of the Order are not applicable to the Company.

xi. a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to information and explanations given to us, the company has not received any whistle blower complaints during the year (and upto the date of this report), nor any reported to auditor for consideration.

xii. In our opinion and according to Information and explanations provided to us, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

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

b) We have considered the internal audit reports of the Company 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 under section 192 of the Companies Act. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company.

xvi. In our opinion, and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3 (xvi) (a) to (d) of the Order is not applicable to the Company.

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

xviii There has been no resignation of the statutory auditors of the Company during the year and accordingly reporting under clause 3(xviii) of the order is not applicable to the Company.

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, 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. The provision for contribution towards Corporate Social Responsibility (CSR) u/s 135, of the Companies Act is not applicable to the company, hence the provisions of clause 3 (xx) (a) to (b) of the Order are not applicable to the Company.

For V.K. Beswal & Associates
Chartered Accountants
Firm Registration No. 101083W

CA Nishit S Agrawal
Partner
M.NO. 159882
UDIN No. 26159882GRQNHN9482

Place: Mumbai
Dated: 29-05-2026

Annexure B to the Standalone IND AS Independent Auditor's Report of Sunil Industries Limited

Independent Auditor's report on the Internal Financial Controls with reference to financial statements and its operative effectiveness under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the standalone Ind AS financial statements of **Sunil Industries Limited** ("the Company") as of and for the year ended 31st March, 2026, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the criteria being specified by management. These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements, that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 including the Accounting Standards. A company's IFCoFR 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 including Accounting Standards, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026, based on the 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 V.K. Beswal & Associates
Chartered Accountants
Firm Registration No. 101083W

CA Nishit S Agrawal
Partner
M.NO. 159882

UDIN No. 26159882GRQNHN9482

Place: Mumbai
Dated: 29-05-2026

Sunil Industries Limited

Balance Sheet as at 31st March, 2026
CIN : L99999MH1976PLC019331
(Currency: Amount in Rupees)

	PARTICULARS	Note Nos.	As at 31st March, 2026	As at 31st March, 2025
I	**ASSETS**			
	Non-Current Assets			
a)	Property, Plant & Equipment	2	33,00,17,990	32,63,75,244
b)	Capital Work-in-Progress		-	-
c)	Other Intangible Assets	2	-	-
d)	Financial Assets			
	(i) Investments	3	30,92,950	17,44,040
	(ii) Other Financial Assets	4	87,97,918	99,99,325
e)	Other Non-Current Assets	5	28,53,332	81,48,332
			34,47,62,190	**34,62,66,941**
	Current Assets			
a)	Inventories	6	24,36,49,875	19,95,12,072
b)	Financial Assets			
	(i) Trade Receivables	7	71,44,49,707	53,94,65,919
	(ii) Cash and Cash Equivalents	8	98,49,303	8,22,17,252
	(iii) Bank balances other than (ii) above	9	95,65,249	1,00,52,705
	(iv) Loans	10	7,11,992	6,42,592
	(v) Other Current Financial Assets	11	18,32,652	20,16,697
c)	Current Tax Assets	12	42,33,215	3,05,871
d)	Other Current Assets	13	9,20,23,460	10,72,50,163
			1,07,63,15,454	**94,14,63,270**
	TOTAL		**1,42,10,77,643**	**1,28,77,30,211**
II	**EQUITY AND LIABILITIES**			
	Equity			
	Shareholder's Fund			
a)	Equity Share Capital	14	4,19,84,000	4,19,84,000
b)	Other Equity	15	49,71,32,579	45,03,92,066
			53,91,16,579	**49,23,76,066**
	LIABILITIES			
	Non-Current Liabilities			
a)	Financial Liablities			
	(i) Non-Current Borrowings	16	71,00,662	90,56,432
b)	Deferred Tax Liabilities (Net)	17	1,97,18,705	2,10,52,804
c)	Provisions	18	-	2,26,903
			2,68,19,367	**3,03,36,139**
	Current Liabilities			
a)	Financial Liabilities			
	(i) Current Borrowings	19	34,59,53,490	54,04,32,287
	(ii) Trade Payables	20		
	Total Outstanding Dues of Micro Enterprises and Small Enterprises		4,65,520	14,90,651
	Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises		29,99,00,735	14,17,12,007
	(iii) Other Current Financial Liabilities	21	2,17,46,675	2,18,25,843
b)	Other Current Liabilities	22	18,69,99,983	5,92,65,554
c)	Current Tax Liabilities	23	-	-
d)	Provisions	24	75,295	2,91,664
			85,51,41,697	**76,50,18,006**
	TOTAL		**1,42,10,77,643**	**1,28,77,30,211**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 1
The accompanying notes are an integral part of the standalone financial statements `2-63

As per our report of even date
For V.K.Beswal & Associates
Chartered Accountants
Firm Reg No.:101083W

Sd/-
CA Nishit S Agrawal
Partner
Membership Number- 159882

Place : Mumbai
Date : 29-05-2026

For and on behalf of Board of Directors
Sunil Industries Limited
Sd/-
Vinod Lath
(Chairman & Managing Director)
(DIN:64774)
Sd/-
Pradeep Roongta
(CFO & WTD)
(DIN:130283)
Sd/-
Sourabh Sahu
Company Secretary

Sunil Industries Limited

Statement of Profit and Loss for the year ended 31st March, 2026
CIN : L99999MH1976PLC019331
(Currency: Amount in Rupees)

PARTICULARS	Note Nos.	2025-2026	2024-2025
INCOME :			
Revenue from Operations	25	2,26,04,18,069	1,71,84,34,849
Other Income	26	24,57,571	34,87,429
Total Revenue		**2,26,28,75,640**	**1,72,19,22,278**
EXPENDITURE :			
Cost of Materials Consumed	27	1,60,42,76,417	95,57,37,121
Purchases of Stock in Trade		-	-
Changes in Inventories of Finished Goods, Work-in-Progress and Waste	28	(5,68,40,136)	7,42,41,135
Employee Benefits Expenses	29	4,60,10,501	4,53,71,686
Finance Costs	30	5,01,40,015	5,98,77,005
Depreciation and Amortization Expenses	31	2,86,84,094	2,64,12,848
Other Expenses	32	53,04,29,965	51,19,87,677
Total Expenditures		**2,20,27,00,854**	**1,67,36,27,473**
Profit before extraordinary items and tax		6,01,74,786	4,82,94,805
Extraordinary Items :			
Prior year adjustments		-	-
Profit before tax		**6,01,74,786**	**4,82,94,805**
(Add)/Less :-			
Tax expenses :			
Current tax expense for current year		1,55,00,000	1,18,00,000
Current tax expense relating to prior years		-	12,743
Net current tax expense		**1,55,00,000**	**1,18,12,743**
Deferred tax	17	(13,34,098)	(25,27,410)
Profit (Loss) for the period from continuing operations		**4,60,08,884**	**3,90,09,472**
Profit/(Loss) from discontinuing operations		-	-
Tax expenses of discontinuing operations		-	-
Profit/(Loss) from discontinuing operations (after tax)		-	-
Profit for the year		**4,60,08,884**	**3,90,09,472**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit obligations		7,31,629	1,90,081
Tax Effect on above			
Total Other Comprehensive Income		**4,67,40,513**	**3,91,99,553**
Earnings per equity share: Basic & Diluted (in Rs.)	37	10.95	9.29
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	1		
The accompanying notes are an integral part of the standalone financial statements	`2-63		

As per our report of even date
For V.K.Beswal & Associates
Chartered Accountants
Firm Reg No.:101083W

Sd/-
CA Nishit S Agrawal
Partner
Membership Number- 159882

Place : Mumbai
Date : 29-05-2026

For and on behalf of Board of Directors
Sunil Industries Limited
Sd/-
Vinod Lath
(Chairman & Managing Director)
(DIN:64774)
Sd/-
Pradeep Roongta
(CFO & WTD)
(DIN:130283)
Sd/-
Sourabh Sahu
Company Secretary

Sunil Industries Limited

Cash Flow Statement For the year ended 31st March, 2026
CIN : L99999MH1976PLC019331
(Currency: Amount in Rupees)

	PARTICULARS	2025-2026	2024-2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before Tax and after Extraordinary items	6,01,74,786	4,82,94,805
	Adjustment For :		
	Depreciation	2,86,84,094	2,64,12,848
	Interest & Finance charges	5,01,40,015	5,98,77,005
	Interest received	(24,57,571)	(20,30,579)
	ECL on Receivables	13,14,256	(87,724)
	Loss/(Profit) on sale of assets	-	(3,56,237)
	Operative Profit before Working Capital Changes	**13,78,55,580**	**13,21,10,118**
	Adjustment For :		
	Increase/ (Decrease) in Trade Payables & Provisions	15,74,51,953	19,42,163
	Increase/ (Decrease) in Other Current Liabilities	12,76,55,261	2,68,50,443
	Increase/ (Decrease) in Trade Receivable	(17,62,98,044)	(20,35,63,035)
	Increase/ (Decrease) in Inventories	(4,41,37,803)	9,73,74,999
	Increase / (Decrease) in Other Current Assets	2,18,37,754	7,46,17,266
	Cash Generation from Operations	**22,43,64,700**	**12,93,31,954**
	Direct Taxes	(1,94,27,345)	(1,21,37,800)
	Net Cash Flow from operating activities	**20,49,37,355**	**11,71,94,154**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Sale / (Purchase) of Property, Plant & Equipments (net)	(3,23,26,839)	(3,06,43,018)
	Sale / (Purchase) of Investment (net)	(13,48,910)	(1,43,900)
	Proceeds from/ (Investment in) fixed deposits (net)	4,87,456	35,64,644
	Interest Received	24,57,571	20,30,579
	Net Cash used in investing activities	**(3,07,30,722)**	**(2,51,91,695)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from/ (Repayment of) Non-Current Borrowings (net)	(19,64,34,568)	89,49,318
	Interest paid	(5,01,40,015)	(5,98,77,005)
	Net Cash used in financing activities	**(24,65,74,582)**	**(5,09,27,687)**
D.	Net Change In Cash And Cash Equilants (A+B+C)	(7,23,67,950)	4,10,74,772
	Cash and Cash Equivalents (Opening)	8,22,17,252	4,11,42,480
	Cash and Cash Equivalents (Closing)	**98,49,302**	**8,22,17,252**

Notes : The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flow.

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date
For V.K.Beswal & Associates
Chartered Accountants
Firm Reg No.:101083W

Sd/-
CA Nishit S Agrawal
Partner
Membership Number- 159882

Place : Mumbai
Date : 29-05-2026

For and on behalf of Board of Directors
Sunil Industries Limited
Sd/-
Vinod Lath
(Chairman & Managing Director)
(DIN:64774)

Sd/-
Pradeep Roongta
(CFO & WTD)
(DIN:130283)

Sd/-
Sourabh Sahu
Company Secretary

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2026
CIN : L99999MH1976PLC019331
(Currency: Amount in Rupees)

Statement of Changes in Equity -

A. Equity share capital

	Notes	Number	INR
Balance as at 1 April 2024		42,00,000	4,20,00,000
Less: Calls in Arrears		-	16,000
		42,00,000	4,19,84,000
Changes in equity share capital during the year		-	-
Balance as at 31 March 2025		**42,00,000**	**4,19,84,000**
	14		
Balance as at 1 April 2025		42,00,000	4,20,00,000
Less: Calls in Arrears		-	16,000
		42,00,000	**4,19,84,000**
Changes in equity share capital during the year		-	-
Balance as at 31 March 2026		**42,00,000**	**4,19,84,000**

B. Other equity

	Notes	Reserves and surplus			Total other Equity
		General Reserves	Securities premium	Retained earnings	
Balance as at 1 April 2024		14,08,57,634	4,92,80,289	22,10,54,589	41,11,92,512
Profit for the year		-	-	3,90,09,472	3,90,09,472
Other comprehensive income		-	-	1,90,081	1,90,081
Balance as at 31 March 2025		**14,08,57,634**	**4,92,80,289**	**26,02,54,143**	**45,03,92,066**
	15				
Balance as at 1 April 2025		**14,08,57,634**	**4,92,80,289**	**26,02,54,143**	**45,03,92,066**
Profit for the year		-	-	4,60,08,884	4,60,08,884
Other comprehensive income		-	-	7,31,629	7,31,629
Balance as at 31 March 2026		**14,08,57,634**	**4,92,80,289**	**30,69,94,656**	**49,71,32,579**

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date
For V.K.Beswal & Associates
Chartered Accountants
Firm Reg No.:101083W

Sd/-
CA Nishit S Agrawal
Partner
Membership Number- 159882

Place : Mumbai
Date : 29-05-2026

For and on behalf of Board of Directors
Sunil Industries Limited
Sd/-
Vinod Lath
(Chairman & Managing Director)
(DIN:64774)
Sd/-
Pradeep Roongta
(CFO & WTD)
(DIN:130283)
Sd/-
Sourabh Sahu
Company Secretary

1 SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31.03.2026

1 Company Overview

Sunil Industries Limited ("The Company") is an existing limited company incorporated on 19/11/1976 under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at D 8, MIDC Phase II, Manpada Road, Dombivli-East, Thane-421201, Maharashtra. The equity shares of the Company are listed on BSE Limited ("BSE"). The financial statements are presented in Indian Rupee (₹).

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(A) Basis Of Preparation Of Financial Statement

i) Compliance with Ind AS

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

These financial statements and notes have been presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs as per requirement of Schedule III, unless otherwise indicated.

ii) Historical cost convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except for the following :

(a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;

(b) Defined benefit plans where plan assets are measured at fair value.

iii) Current and Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle (Twelve Months) and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

(B) Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Continuous evaluation is done on the estimation and judgments based on historical experience and various other assumptions and factors, including expectations of future events that are believed to be reasonable under existing circumtances. Difference between actual results and estimate related to accounting estimates are recognised prospectively.

The said estimates are based on facts and events, that existes as at reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(C) Financial Instruments

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

i. Classification

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

(a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and

(b) Those measured at amortised cost.

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

(a) For assets measured at fair value, gains and losses will either be recorded in Profit and Loss or Other comprehensive income.

(b) For investments in debt instruments, this will depend on the business model in which the investment is held.

(c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii. Measurement

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

(a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

i) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

ii) Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

iii) Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Profit and Loss. A gain or loss on a debt investment that is subsequently measured at fair value through Profit and Loss and is not part of a hedging relationship is recognised in Profit and Loss and presented net in the statement of Profit and Loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

(b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through Profit and Loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(iv) Derecognition of financial assets

A financial asset is derecognised only when -

(a) The Company has transferred the rights to receive cash flows from the financial asset or

(b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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

(II) Financial Liabilities

(i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through Profit and Loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

(ii) 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 de-recognition 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.

(D) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

(E) Segment Report

(i) The company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisaiton and mangagement structure. The operating segement are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

(ii) The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

(F) Inventories Valuation

(i) Raw materials (excluding Dyes and Chemicals), Components, Stores and Spares, Packing Materials are valued at lower of cost and net realisable value. Cost is determined on a weighted average cost basis.

(ii) Cost of Dyes and Chemicals included in the cost of Raw Material are determined on first-in-first-out (FIFO) basis.

(iii) Work-in-Progress and Finished Goods are valued at lower of cost and net realisable value. The cost are determined on estimated cost basis and valued on a weighted average basis.

(iv) Traded goods are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

(v) Scrap is valued at net realisable value.

(vi) Due allowances are made in respect of slow moving, non-moving and obsolete inventories based on estimate made by the Management.

(vii) Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(G) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits with banks, deposit held at call with financial institutions, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.

(H) Income tax and Deferred tax

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the Profit and Loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

(i) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

(I) Property, plant and equipment

(i) Freehold land is carried at historical cost including expenditure that is directly attributable to the acquisition of the land.

(ii) All other items of property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

(iii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(iv) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for it intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.

(v) Depreciation methods, estimated useful lives and residual value:-

(a) Fixed assets are stated at cost less accumulated depreciation.

(b) Depreciation is provided on a pro rata basis on the straight line method over the estimated useful lives of the assets which is as prescribed under Schedule II to the Companies Act, 2013. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed atleast at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

(c) The estimated useful lives are as follows:

Leasehold Land	99 years
Factory Building	30 years
Plant & machinery	08 years
Vehicles	10 years
Computer	03 years
Furniture	10 years
Office Equipment	05 years

(vi) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.

(vii) The residual values are not more than 5% of the original cost of the asset

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income as applicable.

(J) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both and which is not occupied by the Company, is classified by Investing property. Investment property is measured at cost including related transaction cost and where applicable borrowing cost. Investment properties are depreciated at the same rate applicable for class of asset under Property,Plant and Equipment.

(K) Intangible assets

(i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.

(ii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented / ready for use. The same is amortised over a period of 5 years on straight-line method.

(L) Leases

(i) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(M) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount, rebates. The Company recognises revenue as under :

Effective 01 April, 2018, the Company has adopted Indian Accounting Standard 115 (IND AS 115) - "Revenue from contracts with customers" using the cumulative catch-up transition method applied to the contract that was not completed as on the transaction date 01st April, 2018. Accordingly the comparative amounts of revenue and the corresponding contract assets / liabililities have not been retrospectively adjusted. The effect on adoption of IND-AS 115 was insignificant.

(I) Sales

The Company recognizes revenue from sale of goods & services when:

(a) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods and with regard to services, when services are rendered.

(b) The Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

(c) The amount of revenue can be reliably measured.

(d) It is probable that future economic benefits associated with the transaction will flow to the Company

(e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.

(f) The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(II) Other income

(i) **Interest income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(ii) **Dividend**

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

(iii) **Export Benefits**

Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

(N) Employee Benefit

(i) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) **Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments are recognised in Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur

(iii) **Post-employment obligations**

The Company operates the following post-employment schemes

(a) Defined benefit gratuity plan:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company makes contribution to a trust maintained by Life Insurance Corporation ('LIC') of India.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

b) Defined Contribution plan:
Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Statement of Profit & Loss. The company has no further obligation to the plan beyond its contribution.

(O) Foreign currency translation
(i) **Functional and presentation currency**
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) **Transactions and balances**
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

(P) Borrowing Cost
(i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.
(ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(Q) Earnings per share
(i) **Basic earnings per share**
Basic earnings per share is calculated by dividing:
- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) **Diluted earnings per share**
Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(R) Impairment of Assets
Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(S) Provisions, contingent liabilities and contingent assets
(i) **Provisions:**
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. The expense relating to a provision is presented in the statement of profit and loss.

(ii) **Contingent liabilities:**
A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(iii) **Contingent Assets:**
Contingent Assets are disclosed, where an inflow of economic benefits is probable.

(T) Investments
On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for those mutual fund for which the Company has elected to present the fair value changes in the Statement of Profit and Loss.

(U) Trade receivables
Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss.

(V) Trade and other payables
These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

(W) Operating Cycle
Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

(X) Rounding of amounts
All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees Lacs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

Sunil Industries Limited

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2026

CIN : L99999MH1976PLC019331

(Currency: Amount in Rupees)

2 Property, Plant and Equipment

Details of the property, plant and equipment & Ingantiable Assets their carrying amounts are as follows:

Particulars	Land	Leasehold Lands	Factory Building	Bhiwandi Godown	Office Premises	Residential Premises	Bore Well	Lab Equipments	Office Equipment	Plant & Machinery	Computers	Furniture & Fixtures	Vehicles	TOTAL	Software
Gross carrying amount															
Balance as at 1 April 2025	42,90,322	3,79,087	11,73,86,504	1,98,920	8,30,050	7,76,48,673	3,03,663	18,57,095	35,91,514	31,08,63,217	76,77,500	1,72,89,268	1,33,21,674	**55,56,37,487**	2,90,688
Additions	-	-	-	-	-	-	-	-	1,70,513	2,71,22,126	-	36,629	49,99,988	**3,23,29,257**	-
Disposals	-	-	-	-	-	-	-	-	-	-	36,644	5,500	-	**42,144**	-
Net exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Balance as at 31 March 2026	**42,90,322**	**3,79,087**	**11,73,86,504**	**1,98,920**	**8,30,050**	**7,76,48,673**	**3,03,663**	**18,57,095**	**37,62,027**	**33,79,85,344**	**76,40,856**	**1,73,20,397**	**1,83,21,662**	**58,79,24,600**	**2,90,688**
Depreciation and impairment															
Balance as at 1 April 2025	-	72,751	4,44,56,093	1,83,962	4,35,125	1,42,42,759	2,01,396	18,51,655	21,74,876	14,36,33,425	58,08,023	93,18,217	68,83,959	**22,92,62,242**	2,90,688
Disposal	-	-	-	-	-	-	-	-	-	-	35,883	3,843	-	**39,726**	-
Net exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Depreciation	-	2,394	37,14,954	5,014	13,090	24,61,467	22,950	-	1,22,453	1,93,77,391	3,24,777	9,82,915	16,56,688	**2,86,84,094**	-
Balance as at 31 March 2026	**-**	**75,145**	**4,81,71,047**	**1,88,976**	**4,48,215**	**1,67,04,226**	**2,24,346**	**18,51,655**	**22,97,329**	**16,30,10,817**	**60,96,917**	**1,02,97,289**	**85,40,648**	**25,79,06,610**	**2,90,688**
Carrying amount as at 31 March 2026	**42,90,322**	**3,03,942**	**6,92,15,457**	**9,944**	**3,81,835**	**6,09,44,446**	**79,317**	**5,440**	**14,64,698**	**17,49,74,527**	**15,43,940**	**70,23,108**	**97,81,014**	**33,00,17,990**	**-**

Particulars	Land	Leasehold Lands	Factory Building	Bhiwandi Godown	Office Premises	Residential Premises	Bore Well	Lab Equipments	Office Equipment	Plant & Machinery	Computers	Furniture & Fixtures	Vehicles	TOTAL	Software
Gross carrying amount															
Balance as at 1 April 2024	42,90,322	3,79,087	10,98,63,572	1,98,920	8,30,050	7,76,48,673	1,82,873	18,57,095	34,13,548	28,96,00,913	67,57,422	1,68,40,000	1,45,52,359	**52,64,14,833**	2,90,688
Additions	-	-	75,22,932	-	-	-	1,20,790	-	1,77,966	2,22,20,020	9,20,078	4,49,268	7,08,000	**3,21,19,054**	-
Disposals	-	-	-	-	-	-	-	-	-	9,57,715	-	-	19,38,685	**28,96,400**	-
Net exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Balance as at 31 March 2025	**42,90,322**	**3,79,087**	**11,73,86,504**	**1,98,920**	**8,30,050**	**7,76,48,673**	**3,03,663**	**18,57,095**	**35,91,514**	**31,08,63,217**	**76,77,500**	**1,72,89,268**	**1,33,21,674**	**55,56,37,487**	**2,90,688**
Depreciation and impairment															
Balance as at 1 April 2024	-	68,922	4,09,73,807	1,78,948	4,22,035	1,17,81,292	1,78,509	18,51,655	20,77,725	12,63,07,708	54,41,237	83,26,867	70,17,289	**20,46,25,996**	2,90,688
Disposal	-	-	-	-	-	-	-	-	-	63,675	-	-	17,12,926	**17,76,601**	-
Net exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-
Depreciation	-	3,829	34,82,285	5,014	13,090	24,61,467	22,887	-	97,151	1,73,89,393	3,66,785	9,91,350	15,79,596	**2,64,12,848**	-
Balance as at 31 March 2025	**-**	**72,751**	**4,44,56,093**	**1,83,962**	**4,35,125**	**1,42,42,759**	**2,01,396**	**18,51,655**	**21,74,876**	**14,36,33,425**	**58,08,023**	**93,18,217**	**68,83,959**	**22,92,62,242**	**2,90,688**
Carrying amount as at 31 March 2025	**42,90,322**	**3,06,336**	**7,29,30,411**	**14,958**	**3,94,925**	**6,34,05,913**	**1,02,267**	**5,440**	**14,16,638**	**16,72,29,792**	**18,69,478**	**79,71,051**	**64,37,715**	**32,63,75,244**	**-**

2.1 Notes:

The company has received a Capital subsidy which constitute 10% of total basic cost submitted by the company to Department of Amended Technology Udgraded Fund Scheme (TUF's). The company has reduced the cost of the plant & machinery upto the value of subsidy received and accordingly reduces the proportionate cost of depreciation. The amount of subsidy received year wise are produce below:

Financial Year	Amount of Subsidy
2023-2024	19,50,000
Total	**19,50,000**

(Currency: Amount in Rupees)

3 Non-Current Investments

Particulars	Face Value	Units / Nos.	As at 31st March, 2026	Units / Nos.	As at 31st March, 2025
Unquoted Equity Instruments, Fully Paid up :					
Investments carried at fair value through profit or loss					
Fairdeal Supplies Limited	10	13,286	1,29,140	13,286	1,29,140
Sunil Fabrics Private Limited	10	100	1,000	100	1,000
P G Mercantile Private Limited	10	2,30,000	23,00,000	1,50,000	15,00,000
Prodigy Energy Private Limited	10	-	-	11,390	1,13,900
GTB Global Power Private Limited	10	66,281	6,62,810	-	-
Total			**30,92,950**		**17,44,040**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Aggregate amount of quoted investments -At Cost	-	-
Aggregate amount of quoted investments -At Market Value	-	-
Aggregate amount of unquoted investments -At Cost	30,92,950	17,44,040
Aggregate amount of unquoted investments -At Market Value	-	-

4 Other Financial Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured, Considered Good		
Security Deposits	87,97,918	99,99,325
Total	**87,97,918**	**99,99,325**

5 Other Non-Current Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured, Considered Good unless otherwise provided		
Security Deposits	7,83,332	7,83,332
Capital Advances	-	50,00,000
Less: Expected Credit Loss	-	-
	-	**50,00,000**
Prepaid Expenses	20,65,000	23,60,000
Other Receivables	5,000	5,000
Total	**28,53,332**	**81,48,332**

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2026
CIN : L99999MH1976PLC019331
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6 Inventories

Particulars	**As at 31st March, 2026**	**As at 31st March, 2025**
(As Certified and valued by the management)		
Raw materials	7,56,10,521	8,66,22,726
Work-in-progress	25,44,920	3,92,39,352
Finished goods (other than those acquired for trading)	15,26,49,997	5,87,29,413
Stores, spares and others	96,49,888	92,49,727
Packing Materials	16,33,413	44,18,771
Fuel, Oil & Gases	8,93,970	1,98,900
Waste (Valued at net realisable value)	6,67,166	10,53,182
Total	**24,36,49,875**	**19,95,12,072**
Provision for inventories taking into account various factors, including obsolescence of material, unserviceable items and ageing of material.	-	-1,24,69,068

Amounts recognized in the Standalone Statement of Profit and Loss:
Inventory write downs, considering the nature of inventory, ageing and net realisable value. Write down of inventories amounted to Rs.Nil (P.Y.Rs. 1,24,69,068) were recognized as an expense during the year and included in 'changes in value of inventories finished goods in the Standalone Statement of Profit and Loss.

Method of Valuation of Stock :

a) Stock of Raw Material & Packing material is valued at lower of Cost determined on FIFO basis or net realisable value.
b) Stores & spares and Fuel ,oil & Gases are valued at lower of Cost or net realisable value.
c) Work -in Progress and Finished Goods are valued at cost or net realizable value whichever is lower.
The cost includes manufacturing expenses and appropriate overheads.

7 Trade Receivables

Particulars	**As at 31st March, 2026**	**As at 31st March, 2025**
Unsecured, Considered Good		
Others	71,58,93,476	53,95,95,432
Less: Allowances for Expected Credit Loss	14,43,769	1,29,513
	71,44,49,707	53,94,65,919
Unsecured, Considered Doubtful		
Others	1,53,81,348	1,53,81,348
Less: Allowances for credit impaired	1,53,81,348	1,53,81,348
	-	-
Total	**71,44,49,707**	**53,94,65,919**

7.1 Movement in the Allowances for Expected Credit Loss

Balance at the Beginning of the year	**1,55,10,861**	**1,55,98,586**
(Reversal) for allowances	-1,29,513	-2,17,237
Provision for allowances	14,43,769	1,29,513
Balance at the end of the year	**1,68,25,117**	**1,55,10,861**

7.2 For trade receivables outstanding, following ageing schedule shall be given:

a) For the Year ended March 31, 2026

Particulars	**Outstanding for following periods from due date of payment**					**Total**
	Less than 6 months	**6 months-1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed Trade Receivables – considered good	39,48,00,079	29,22,18,014	2,59,11,634	75,772	14,44,208	**71,44,49,707**
Undisputed Trade Receivables – considered doubtful	-	-	-	-	1,53,81,348.29	**1,53,81,348**
Undisputed Trade Receivables – credit impaired	-	-	13,63,770	3,988	76,011	**14,43,769**
Disputed Trade Receivables considered good	-	-	-	-	-	**-**
Disputed Trade Receivables considered doubtful	-	-	-	-	-	**-**

b) For the Year ended March 31, 2025

Particulars	**Outstanding for following periods from due date of payment**					**Total**
	Less than 6 months	**6 months-1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed Trade Receivables – considered good	22,73,64,312	30,96,40,864	3,19,960	16,03,433	5,37,350	**53,94,65,919**
Undisputed Trade Receivables – considered doubtful	-	-	-	-	1,53,81,348	**1,53,81,348**
Undisputed Trade Receivables – credit impaired	-	-	16,840	84,391	28,282	**1,29,513**
Disputed Trade Receivables considered good	-	-	-	-	-	**-**
Disputed Trade Receivables considered doubtful	-	-	-	-	-	**-**

8 Cash and cash equivalents

Particulars	**As at 31st March, 2026**	**As at 31st March, 2025**
Balances with banks		
On Current Accounts	4,00,063	7,10,76,010
On Deposit Accounts with maturity of Less than 3 Months	92,89,421	1,07,34,582
Cash on hand	1,59,819	4,06,660
Total	**98,49,303**	**8,22,17,252**

8.1 Mark as Lein against Bank Gurantee	92,89,421	1,07,34,582

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2026
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9 Bank balances other than (8) above

Particulars	As at 31st March, 2026	As at 31st March, 2025
Bank Deposits with maturity period of more than 3 months but less than 12 months	16,97,373	84,53,550
Bank Deposits having maturity more than 12 Months	78,67,876	15,99,155
Total	**95,65,249**	**1,00,52,705**

9.1 Mark as Lein against Bank Gurantee	95,65,249	1,00,52,705

10 Loans

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured, Considered Good		
Loan to Others	7,11,992	6,42,592
	7,11,992	**6,42,592**

11 Other Current Financial Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Interest Accrued	7,80,862	10,70,541
Advance Payment to Employees	10,51,790	9,46,156
Total	**18,32,652**	**20,16,697**

12 Current Tax Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Advance Taxes (Net of Provisions)	42,33,215	3,05,871
Total	**42,33,215**	**3,05,871**

13 Other Current Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured, considered good		
Tender Deposits (refer note 13.1)	2,25,85,806	2,00,62,045
Other Deposits	1,22,75,190	2,85,77,489
Advances to Suppliers	41,01,415	1,04,42,500
Advances other than Capital Advances	2,31,808	2,31,808
Balance with Government authorities	5,20,02,015	4,70,90,568
Prepaid Expenses	8,27,226	8,45,753
Total	**9,20,23,460**	**10,72,50,163**

13.1 Mark as Lein against Bank Gurantee	4,07,004	3,14,675

(Currency: Amount in Rupees)

14 Share Capital

A

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Numbers	Rs.	Numbers	Rs.
Authorised				
Equity Shares of Rs.10 each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
	50,00,000	**5,00,00,000**	**50,00,000**	**5,00,00,000**
Issued, Subscribed & fully Paid up				
Equity Shares of Rs.10 each	42,00,000	4,20,00,000	42,00,000	4,20,00,000
Less : Calls in Arrears		16,000		16,000
Total	**42,00,000**	**4,19,84,000**	**42,00,000**	**4,19,84,000**

B Reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Numbers	Rs.	Numbers	Rs.
At the beginning of the year	42,00,000	4,19,84,000	42,00,000	4,19,84,000
Shares Issued during the year	-	-	-	-
At the end of the year	**42,00,000**	**4,19,84,000**	**42,00,000**	**4,19,84,000**

C Detail of shareholding by the Promoters and Promotor Group in the company

Promoter Name	As at 31st March, 2026		As at 31st March, 2025		% Change during the year
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Saroj Vinod Lath	3,35,200	7.98%	3,35,200	7.98%	-
Vinod Gajanand Lath	3,22,200	7.67%	3,22,200	7.67%	-
Laxmikant Lath	2,35,600	5.61%	2,35,600	5.61%	-
Vandana Laxmikant Lath	1,19,200	2.84%	1,19,200	2.84%	-
Vinod Gajanand Lath	80,400	1.91%	80,400	1.91%	-
Pradeep Chatruprasad Roongta	13,600	0.32%	13,600	0.32%	-
Beena Pradeep Roongta	12,800	0.30%	12,800	0.30%	-
Leena J Salot	10,000	0.24%	10,000	0.24%	-
Ramashankar Lath	9,600	0.23%	9,600	0.23%	-
Prakashkumar Raichand Shah	-	0.00%	5,000	0.12%	(0.00)
Kamal Kumar Choudhary	4,400	0.10%	4,400	0.10%	-
Kamaluddin Essabhai Vastani	4,400	0.10%	4,400	0.10%	-
Raj Jaisingh	4,400	0.10%	4,400	0.10%	-
Chandraprakash Singhania	700	0.02%	700	0.02%	-
Preeti Lath	400	0.01%	400	0.01%	-
Jyoti Lath	300	0.01%	300	0.01%	-
Mahesh Tibrewal	200	0.00%	200	0.00%	-
Bindudevi Lath	100	0.00%	100	0.00%	-
Deepak Lath	3,900	0.09%	3,900	0.09%	-
Jugal Kishor Tela	1,500	0.04%	1,500	0.04%	-
Sunil Exim Pvt Ltd	3,44,900	8.21%	3,44,900	8.21%	-
Rajashree Capital And Insurance Brokers Limited	3,17,500	7.56%	3,17,500	7.56%	-
Sunil Prints Pvt Ltd	2,04,400	4.87%	2,04,400	4.87%	-
Sunil Fabrics Pvt Ltd	1,61,000	3.83%	1,61,000	3.83%	-
Sunil Synthetics Pvt Ltd	1,36,100	3.24%	1,36,100	3.24%	-
Eske Tex I Pvt Ltd	1,28,200	3.05%	1,28,200	3.05%	-

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2026
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(Currency: Amount in Rupees)

D Detail of shareholders holding more than 5% of shares in the company

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Sunil Exim Pvt Ltd	3,44,900	8.21%	3,44,900	8.21%
Saroj Vinod Lath	3,35,200	7.98%	3,35,200	7.98%
Rajashree Capital And Insurance Brokers Limited	3,17,500	7.56%	3,17,500	7.56%
Vinod Gajanand Lath	3,22,200	7.67%	3,22,200	7.67%
Laxmikant Vinod Lath	2,35,600	5.61%	2,35,600	5.61%

E Aggregate No. of Shares issued as fully paid up for consideration other than cash, bonus shares issued and shares bought back during the period of 5 Years immediately preceding the reporting date.

Particulars	Aggregate No. of Shares (for last 5 Financial Years)
Equity Shares :	
Fully paid up pursuant to contract(s) without payment being received in cash	NIL
Fully paid up by way of bonus shares	NIL
Shares bought back	NIL

15 Other Equity

Particulars	As at 31st March, 2026	As at 31st March, 2025
General Reserves		
Opening Balance	14,08,57,634	14,08,57,634
Add/(Less) : During the year	-	-
Closing Balance	14,08,57,634	14,08,57,634
Securities Premium Account		
As per last Balance Sheet	4,92,80,289	4,92,80,289
Add/(Less) : During the year	-	-
Closing Balance	4,92,80,289	4,92,80,289
Retained Earnings		
Opening balance	26,02,54,143	22,10,54,589
Add : Profit for the year	4,67,40,513	3,91,99,553
Closing Balance	30,69,94,656	26,02,54,143
Total	**49,71,32,579**	**45,03,92,066**

a) General Reserves
General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up and not paid-up bonus shares

b) Securities Premium
Security Premium Reserve is the amount received over and above the face value of any share when the shares are issued, redeemed, and forfeited. Utilisation of Securities Premium is as per section 52 of The Companies Act, 2013.

c) Retained Earnings
This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

16 Non-Current Borrowings

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured Loans, Rupee Loans From Banks :-		
Working Capital Loan	62,22,222	1,42,22,222
Term Loans	-	-
Vehicle Loan	74,15,210	40,74,545
	1,36,37,433	1,82,96,768
Less: Current Maturity of Long Term Debts (Refer Note "19")	65,36,771	92,40,335
Total	**71,00,662**	**90,56,432**

Nature of Security :-

16.1 Secured Working Capital Loans, Term Loans & Property Loan taken from Standard Chartered Bank are secured against hypothecation of all current assets of the company, both present and future. Further,primary pari passu Equitable mottgage charge over on Certain Immovable and all Movable Property, Plant & Equipment situated at Shed No Plot 8, MIDC Phase II, Dombivili - East, Thane - 421203 together with property at Flat No. 33, 5th Floor, Building Sunbeam May Flower Co Op Hsg Soc Limited, 3A Peddar Road, Mumbai-400026. Further Secured by Personal guarantee of the directors and Corporate guarantee of Sunil Exim Private Limited as mentioned in the loan documents executed by the Company.

16.2 Vehicle Loans from Union Bank are secured against the respective vehicles against which the term loan financed by the banks.

Terms of Repayment:-

16.3 Working Capital Term Loan From Standard Charterd Bank of Rs. 2,00,00,000/- by way of Emergency Credit Line Gurantee Scheme. The loan is repayable in the form of 36 Monthly Installments commencing after completion of initial Moratoriumn of 12 Months. The loan is repayable upto 30-09-2025. The Interest on loan will be paid on monthly basis charge by the bank.

16.4 Working Capital Term Loan From Standard Charterd Bank of Rs. 1,40,00,000/- by way of Emergency Credit Line Gurantee Scheme. The loan is repayable in the form of 36 Monthly Installments commencing after completion of initial Moratoriumn of 12 Months. The loan is repayable upto 10-07-2027. The Interest on loan will be paid on monthly basis charge by the bank.

16.5 Vehicle Loans from Union Bank of 62.50 Lacs are repayable in the form of Equated Monthly Installments. The Term Loans are repayable upto 18-03-2028. The Interest on loan will be paid on monthly basis charge by the bank.

16.6 Vehicle Loans from Union Bank of 45.81 Lacs are repayable in the form of Equated Monthly Installments. The Term Loans are repayable upto 18-03-2033.The Interest on loan will be paid on monthly basis charge by the bank.

17 Deferred Tax Liability (Net)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Liability		
Net Block as per Companies Act	32,53,48,581	32,17,05,835
Net Block as per Income Tax Act	22,91,57,629	22,84,32,677
Difference	9,61,90,951	9,32,73,158
Deferred tax liability (A)	**2,42,09,339**	**2,59,48,593**
Deferred Tax Assets		
Expenses Allowed in the year of Payment		
MSME	1,50,719	7,70,163
Bonus	7,91,500	7,98,500
Gratuity	75,295	5,18,567
	10,17,514	20,87,230
Provision for Doubtful Debts/Expected Credit Loss	1,68,25,117	1,55,10,861
Deferred tax assets (B)	**44,90,633**	**48,95,789**
Net Deferred Tax Liability (Closing)	1,97,18,705	2,10,52,804
Less : Net Deferred Tax Liability (Opening)	2,10,52,804	2,35,80,214
Net Deferred Tax Liability to be recognized in Profit & Loss Account.	**(13,34,098)**	**(25,27,410)**

(Currency: Amount in Rupees)

18 Provisions

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for employee benefits :		
Gratuity	-	2,26,903
Total	**-**	**2,26,903**

19 Current Borrowings

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured Loan, From Bank		
Working Capital Loans	9,78,16,719	27,70,91,952
Current Maturity of Long Term Debts (Refer Note "16")	65,36,771	92,40,335
	10,43,53,490	28,63,32,287
Unsecured Loans, Repayable on Demand		
From Related Body-Corporates	-	-
Inter Corporate Deposits	24,16,00,000	25,41,00,000
	24,16,00,000	25,41,00,000
Total	**34,59,53,490**	**54,04,32,287**

Nature of Security:

19.1 Secured Working Capital Loans & Bank Gurantees taken from Standard Chartered Bank are secured against hypothecation of all current assets of the company, both present and future. Further,primary pari passu Equitable mottgage charge over on Certain Immovable and all Movable Property, Plant & Equipment situated at Shed No Plot 8, MIDC Phase II, Dombivili - East, Thane - 421203 together with property at Flat No. 33, 5th Floor, Building Sunbeam May Flower Co Op Hsg Soc Limited, 3A Peddar Road, Mumbai-400026. Further Secured by Personal guarantee of the directors and Corporate guarantee of Sunil Exim Private Limited as mentioned in the loan documents executed by the Company.

19.2 Unsecured Loans from various parties are repayable on demand and are short term funded against the working capital requirement of the company.

20 Trade Payables

Particulars	As at 31st March, 2026	As at 31st March, 2025
Total Outstanding Dues of Micro Enterprises and Small Enterprises	4,65,520	14,90,651
Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises	29,99,00,735	14,17,12,007
Total	**30,03,66,255**	**14,32,02,658**

20.1 Trade payables due for payment / ageing :
The following ageing schedule shall be given for Trade payables due for payment:-
a) For the Year ended March 31, 2026

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3years	More than 3 years	
MSME	4,65,520	-	-	-	**4,65,520**
Others	29,63,81,749	29,74,184	47,200	4,97,602	**29,99,00,735**
Disputed dues – MSME	-	-	-	-	-
Disputeddues – Others	-	-	-	-	-

b) For the Year ended March 31, 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3years	More than 3 years	
MSME	14,90,651	-	-	-	**14,90,651**
Others	14,12,14,405	-	-	4,97,602	**14,17,12,007**
Disputed dues – MSME	-	-	-	-	-
Disputeddues – Others	-	-	-	-	-

(Currency: Amount in Rupees)

20.2 Dues To Micro, Small and medium Enterprises:-

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED ACT"). The disclosures pursuant to the said MSMED Act are as follows:

	Particulars	As at 31st March, 2026	As at 31st March, 2025
a)	The principal amount remaining unpaid to any supplier at the end of the year	4,65,520	14,90,651
b)	Interest due remaining unpaid to any suppliers at the end of the year	-	-
c)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the Micro Small and Medium Enterprise Development Act, 2006 is based on the information availbale with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

21 Other Current Financial liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
Interest accrued but not Due	42,673	64,953
Interest accrued and Due	2,17,04,002	2,17,60,890
Total	**2,17,46,675**	**2,18,25,843**

22 Other Current Liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
Statutory dues	61,14,641	49,49,862
Trade Deposits from Customers *(Refer Note 22.1)*	14,82,32,233	3,07,55,732
Payable for Expenses	2,92,25,190	2,01,13,559
Employees Dues	34,27,919	34,41,401
Advance from Customer	-	5,000
Total	**18,69,99,983**	**5,92,65,554**

22.1 Trade deposits represent interest-free security deposits received from customers allocated to specific institutional contract executions. These amounts are contractually refundable to the respective customers immediately upon the receipt of corresponding project clearances and milestone payments from the ultimate government organizations.

Management expects these projects to conclude within the normal operating cycle. No defaults or delays in government funding have been identified that would impact the repayment timeline of these deposits.

23 Current Tax Liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for Income Tax (Net of Taxes Paid)	-	-
Total	**-**	**-**

24 Provisions

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for employee benefits :		
Gratuity	75,295	2,91,664
Total	**75,295**	**2,91,664**

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2026
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25 Revenue From Operations

Particulars	**2025-26**	**2024-25**
Revenue from operations		
Sale of Products :		
Finished Goods	2,26,02,19,219	1,71,80,48,987
Sale of Service :		
Processing Charges	1,98,850	3,85,862
Total	**2,26,04,18,069**	**1,71,84,34,849**

Detail of Sales

Particulars	**2025-26**	**2024-25**
Sale of Products Comprises:		
Cloth	2,19,45,79,989	1,65,45,80,144
Yarn	6,27,06,144	5,63,99,847
Waste	20,72,757	38,54,294
Others	8,60,330	32,14,703
	2,26,02,19,219	**1,71,80,48,987**

26 Other Income

Particulars	**2025-26**	**2024-25**
Interest Income		
- On Deposits with Banks	17,88,503	11,03,348
- On Loans	77,111	4,92,325
- On Deposits	5,91,957	4,34,906
Profit on Sale of Assets	-	3,56,237
Miscellaneous Income	-	61,788
Reversal on ECL on Advances	-	9,51,100
Reversal on ECL on Receivables (net)	-	87,724
Total	**24,57,571**	**34,87,429**

27 Cost of Materials Consumed

Particulars	**2025-26**	**2024-25**
Raw Material Consumed		
Opening Stock	8,66,22,726	11,28,03,997
Add: Purchases During the Year	1,59,32,64,211	92,95,55,850
	1,67,98,86,938	**1,04,23,59,848**
Less: Closing Stock	7,56,10,521	8,66,22,726
Total Consumption	**1,60,42,76,417**	**95,57,37,121**

Raw Material Purchases during the year Comprises of:

Yarn	26,85,49,915	33,10,58,261
Cloth	1,32,47,14,296	59,84,97,589
	1,59,32,64,211	**92,95,55,850**

28 Changes in Inventories of Finished Goods, Work-in-Progress and Waste

Particulars	**2025-26**	**2024-25**
Inventories at the end of the year:		
Finished goods	15,26,49,997	5,87,29,413
Work-in-progress	25,44,920	3,92,39,352
Waste	6,67,166	10,53,182
	15,58,62,084	**9,90,21,947**
Inventories at the beginning of the year:		
Finished goods	5,87,29,413	16,93,66,783
Work-in-progress	3,92,39,352	23,87,250
Waste	10,53,182	15,09,050
	9,90,21,947	**17,32,63,082**
Net (Increase) / Decrease	**-5,68,40,136**	**7,42,41,135**

(Currency: Amount in Rupees)

29 Employee Benefit Expenses

Particulars	**2025-26**	**2024-25**
Salaries, Wages, Allowances and Bonus	3,61,74,923	3,62,95,514
Contribution to Provident, Gratuity and other funds	31,79,907	30,36,974
Workmen and Staff Welfare Expenses	66,55,671	60,39,198
Total	**4,60,10,501**	**4,53,71,686**

30 Finance Costs

Particulars	**2025-26**	**2024-25**
Interest Expenses		
- On Bank Borrowings	95,10,647	2,05,97,794
- On Unsecured Loans	3,73,61,147	3,52,24,154
- On Other	-	5,135
Other Borrowing Cost		
- Bank Charges and Commission	31,75,921	32,42,222
- Loan Processing Charges	92,300	8,07,700
Total	**5,01,40,015**	**5,98,77,005**

31 Depreciation & Amortization Expenses

Particulars	**2025-26**	**2024-25**
Depreciation on Property, Plant and Equipment	2,86,84,094	2,64,12,848
Total	**2,86,84,094**	**2,64,12,848**

32 Other Expenses

Particulars	**2025-26**	**2024-25**
MANUFACTURING EXPENSES		
Processing and Labour Charges	14,79,70,588	12,58,83,137
Stores, Dyes and Chemicals Consumed	8,51,68,805	9,94,61,658
Power and Fuel	9,00,15,990	9,74,23,978
Water Charges	12,74,738	13,99,833
Factory Expense	6,36,785	46,16,579
Repairs to Building	35,63,878	30,81,741
Repairs to Machinery	1,23,17,857	1,13,47,463
Packing Material Consumed	2,00,44,970	2,11,62,256
	36,09,93,611	**36,43,76,646**
ADMINISTRATIVE EXPENSES		
Rent	9,03,500	9,00,000
Rates and Taxes	31,58,391	48,14,301
Repairs to Others	5,04,327	19,44,186
Insurance Charges	14,12,538	18,41,338
Travelling and Conveyance	79,87,595	67,41,012
Communication Expenses	3,00,944	8,77,708
Professional Fees	64,39,162	26,58,083
Donations	27,89,900	30,29,914
Freight, Octroi and Forwarding Expenses	1,65,51,161	1,64,63,922
Payments to Auditors'	6,49,800	7,06,300
Brokerage and Commission	12,51,34,143	9,04,67,225
Bad Debts	-	95,11,000
Advertisement and Sales Promotion	4,90,729	61,45,026
ECL on Receivables	13,14,256	-
Miscellaneous Expenses	17,99,906	15,11,016
Total	**53,04,29,965**	**51,19,87,677**

32.1 Payments to Auditors

	2025-26	**2024-25**
A) Statutory Auditors:-		
For Audit Fee	2,53,000	3,47,500
For Tax Audit Fees	2,99,000	3,18,800
For Other Matters	52,800	-
B) Branch Auditors:-		
For Audit Fee	45,000	40,000
For others	-	-
Total	**6,49,800**	**7,06,300**

32.2 Disclosure pertaining to corporate social responsibility expenses

The applicable provision of Sec. 135 of the Companies Act, 2013 viz. Corporate Social Responsibility are not applicable.

32.3 As of March 31, 2026, the Company carries a balance of GST Input Tax Credit amounting to Rs.4,79,29,675/- under the head "Balances with Statutory/Government Authorities" within Other Current Assets, with no further material write-offs or GST expense provisions recognized during the Financial Years 2024-2025 and 2025-2026. The ultimate recoverability of this remaining balance is currently subject to evaluation as the Company's management, in coordination with external GST consultants, is actively assessing the eligibility, documentation, and legal merits to pursue refunds or utilization with the GST Department. Since the final unclaimable portion, if any, is not reasonably determinable at this stage, no further provision for expense or impairment has been made in the financial statements for the year ended March 31, 2026, and adjustments, if required, will be recognized in the period when the final determination is reached.

Sunil Industries Limited

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2026

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33 Analytical Ratios

Sr. No.	Ratios	Head	As at 31st March, 2026			As at 31st March, 2025			% Variance	Reason for Variance more than 25%
			Numerator Rs.	Denominator Rs.	Current Period	Numerator Rs.	Denominator Rs.	Previous Period		
i)	Current Ratio	Current Assets / Current Liabilities	1,08,79,66,704	86,22,42,359	1.26	95,96,10,927	77,40,74,439	1.24	1.78%	
ii)	Debt-equity ratio	Total Debt / Shareholder's Equity	35,30,54,152	53,91,16,579	0.65	54,94,88,719	49,23,76,066	1.12	-41.32%	Due to the strategic repayment of long-term/short-term borrowings during the current financial year.
iii)	Debt service coverage ratio	EBIDTA/ Total Debt Service	13,89,98,894	5,93,80,350	2.34	13,45,84,658	7,19,96,306	1.87	25.22%	Due to higher operational profitability and EBITDA margins during the current financial year.
iv)	Return on equity	Net Income available to Shareholders / Shareholder's Equity	4,67,40,513	53,91,16,579	0.09	3,91,99,553	49,23,76,066	0.08	8.90%	
v)	Inventory turnover ratio	Cost of Goods Sold / Avg. Inventory	1,54,74,36,280	22,15,80,974	6.98	1,02,99,78,256	24,81,99,572	4.15	68.29%	Due to a significant growth in sales and manufacturing volumes during the current financial year.
vi)	Trade receivables turnover ratio	Revenue from Operations / Average Account Receivables	2,26,04,18,069	62,69,57,813	3.61	1,71,84,34,849	43,76,40,539	3.93	-8.18%	
vii)	Trade payables turnover ratio	Total Purchases + Total Other Expenses / Average Account Payables	2,12,36,94,176	22,17,84,456	9.58	1,44,15,43,527	14,21,76,371	10.14	-5.56%	
viii)	Net capital turnover ratio	Revenue from Operations / Average Working Capital	2,26,04,18,069	31,84,92,589	7.10	1,71,84,34,849	26,23,00,472	6.55	8.33%	
ix)	Net profit ratio	Net Profit /Total Revenue	4,67,40,513	2,26,28,75,640	0.02	3,91,99,553	1,72,19,22,278	0.02	-9.27%	
x)	Return on capital employed	Earning Before Interest & Tax / Capital Employed	11,03,14,800	55,88,35,284	0.20	10,81,71,810	51,36,55,772	0.21	-6.26%	
xi)	Return on investment	Net Income / Total Assets	4,60,08,884	1,42,10,77,643	0.03	3,90,09,472	1,28,77,30,211	0.03	6.88%	

(Currency: Amount in Rupees)

34 Fair Value Measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or
The following methods and assumptions were used to estimate the fair values :

i. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

ii. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

iii. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instrument by valuation technique

Level 1: Quoted (unadjusted) price in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities	**As at 31st March, 2026**				**As at 31st March, 2025**			
	Carrying Amount	**Level of input used in**			**Carrying Amount**	**Level of input used in**		
		Level 1	**Level 2**	**Level 3**		**Level 1**	**Level 2**	**Level 3**
At Amortized Cost								
Financial Assets:-								
- Loans	7,11,992	-	-	7,11,992	6,42,592	-	-	6,42,592
- Trade Receivables	71,44,49,707	-	-	71,44,49,707	53,94,65,919	-	-	53,94,65,919
- Other Financial Assets	1,06,30,570	-	-	1,06,30,570	1,20,16,022	-	-	1,20,16,022
- Cash & Cash Equivalents	98,49,303	-	-	98,49,303	8,22,17,252	-	-	8,22,17,252
- Other Bank Balance	95,65,249	-	-	95,65,249	1,00,52,705	-	-	1,00,52,705
	74,52,06,821	**-**	**-**	**74,52,06,821**	**64,43,94,489**	**-**	**-**	**64,43,94,489**
At FVTPL								
Financial Assets:-								
- Investments*	30,92,950	-	-	30,92,950	17,44,040	-	-	17,44,040
	30,92,950	**-**	**-**	**30,92,950**	**17,44,040**	**-**	**-**	**17,44,040**
At Amortized Cost								
Financial Liabilities:-								
Borrowings	35,30,54,152	-	-	35,30,54,152	54,94,88,719	-	-	54,94,88,719
Other Financial Liabilities	2,17,46,675	-	-	2,17,46,675	2,18,25,843	-	-	2,18,25,843
Trade Payables	30,03,66,255	-	-	30,03,66,255	14,32,02,658	-	-	14,32,02,658
Lease Liability	-	-	-	-	-	-	-	-
	67,51,67,081	**-**	**-**	**67,51,67,081**	**71,45,17,221**	**-**	**-**	**71,45,17,221**

(Currency: Amount in Rupees)

* The above Investments does not include equity investments in subsidiaries, associates and joint ventures which are carried at costs and hence are not required to be disclosed as per Ind AS 107 “Financial Instrument Disclosures.

The fair values of current debtors, cash & bank balances, loan to related party, security deposit to goverment deparment, current creditors and current borrowings and other financial liability are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

Fair value measurements using significant unobservable inputs (level 3)

35 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

In the course of business, the company is exposed to certain financial risk that could have considerable influence on the Company’s business and its performance. These include market risk (including currency risk, interest risk and other price risk), credit risk and liquidity risk. The Board of Directors review and approves risk management structure and policies for managing risks and monitors suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides service to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks. It is the Company’s policy that no trading in derivatives for speculative purposes may be undertaken. The company uses derivative financial instruments to hedge risk exposures in accordance with the Company’s policies as approved by the board of directors.

i. Market Risk - Interest rate risk :

Interest rate risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. In order to optimize the Company’s position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Sensitivity analysis below has been determined based on the exposures to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents Management’s assessment of the reasonably possible changes in interest rates.

ii. Equity Price Risk

Equity price risk is related to the change in market reference price of the investments in quoted equity securities. The fair value of some of the Company’s investments exposes the company to equity price risks. At the reporting date, the company do not held any quoted equity securities.

The following table presents the changes in level 3 items for the year ended :

Particulars	**As at 31st March, 2026**	**As at 31st March, 2025**
a. Unquoted Equity Shares		
At Cost	30,92,950	17,44,040
Profit / (Loss) Recognized in the Statement of Profit & Loss Account	-	-
Value at the Year end	**30,92,950**	**17,44,040**

(Currency: Amount in Rupees)

b. Quoted Equity Shares		
At Cost	-	-
Profit / (Loss) Recognized in the Statement of Profit & Loss Account	-	-
Value at the Year end	-	-

iii. Credit Risk

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on customer profiling, credit worthiness and market intelligence. Trade receivables consist of a Goverenment/Institutionals & Other customers, spread across India. Outstanding customer receivables are regularly monitored. The average credit period is in the range of 0 - 180 days. However in select cases credit is extended which is backed by security deposit/bank guarantee/ letter of credit and other firms. The Company's Trade receivables consist of a large number of customers, across India hence the Company is not exposed to concentration risk.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates.

Ageing of Account receivables

Particulars	**As at 31st March, 2026**	**As at 31st March, 2025**
Not Due	-	-
Less than 6 months	39,48,00,079	22,73,64,312
Beyond more than 180 days	31,96,49,628	31,21,01,607
Total	**71,44,49,707**	**53,94,65,919**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

iv. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital limits from various banks. Furthermore, the Company access to funds from debt markets through commercial paper programs and short term working capital loans.

a. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	**As at 31st March, 2026**	**As at 31st March, 2025**
Non-current borrowings (including current maturities)	71,00,662	90,56,432
Current Borrowings	34,59,53,490	54,04,32,287
Interest Payable	2,17,46,675	2,18,25,843
Net Debt	**37,48,00,827**	**57,13,14,562**

(Currency: Amount in Rupees)

b. Assets Pledged as Security

	Particulars	As at 31st March, 2026	As at 31st March, 2025
A.	**Current Asset**		
	Non- Financial Assets		
	Inventories	24,36,49,875	19,95,12,072
	Financial Assets		
	Trade Receivables	71,44,49,707	53,94,65,919
	Cash & Cash Equivalents	98,49,303	8,22,17,252
	Other Bank Balance	95,65,249	1,00,52,705
	Loans	7,11,992	6,42,592
	Other Current Financial Assets	18,32,652	20,16,697
	Current Tax Assets	42,33,215	3,05,871
	Other Current Assets	9,20,23,460	10,72,50,163
	Total Current Assets Pledged as Security (A)	**1,07,63,15,454**	**94,14,63,270**
B.	**Non-Current Assets**		
	Non- Financial Assets		
	Property, Plant & Equipments	11,26,64,591	11,39,01,317
	Other Non-Current Assets	28,53,332	81,48,332
	Financial Assets		
	Investments	30,92,950	17,44,040
	Total Non-current Assets Pledged as Security (B)	**11,86,10,873**	**12,37,93,688**
	Total Assets Pledges as Security (A + B)	**1,19,49,26,327**	**1,06,52,56,958**

The Company maintains sufficient liquidity by way of working capital limits from banks.

36 Capital Management

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company's Risk Management Committee reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.

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37 **Earning Per Share**

Partiulars	2025-26	2024-25
Net Profit After Tax available for Equity Shareholders	**4,60,08,884**	**3,90,09,472**
Weighted average number of Equity Shares for Basic EPS	42,00,000	42,00,000
Weighted average number of Equity Shares for Diluted EPS	42,00,000	42,00,000
Nominal Value of Equity Shares	10	10
Basic & Diluted Earnings per Equity Share	**10.95**	**9.29**

38 **Expenditure & Earning in Foreign Currency**

Partiulars	As at 31st March, 2026	As at 31st March, 2025
Expenditure :		
CIF Value of Purchases	8,88,157	84,37,301
Earnings :		
Export Sales	-	-

39 **Stores, Spares, Dyes and Chemicals Consumed**

Partiulars	As at 31st March. 2026	As at 31st March. 2025
Indigenous	8,51,68,805	9,94,61,658
Imported	-	-

40 **Employee Benefit**

As per IND AS 19 “Employee Benefits”, the disclosures of Employee benefits as defined in the said Accounting Standards are given below:

(i) Defined Contribution Plan

Contribution to Defined Contribution Plan includes Providend Fund & ESIC. The expenses recognised for the year are as under :

Particulars	2025-26	2024-25
Employer’s Contribution to Providend Fund & ESIC	28,54,993	27,28,196
	28,54,993	**27,28,196**

(ii) Defined Benefit Plans

(a) Gratuity:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 to 26 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

(b) Major category of plan assets:

The Company has taken plans from Life Insurance Corporation of India.

(c) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company’s financial statements as at 31 March 2025 and 31 March 2024.

Gratuity:

(1) Funded Status of the Plan: -	2025-26	2024-25
Present value of unfunded obligations	-	-
Present value of funded obligations	67,30,422	66,86,634
Fair value of plan assets	-66,55,127	-61,68,067
Net Liability (Asset)	**75,295**	**5,18,567**

The total accrued liability is Rs. 7,441,643/-. Out of which the value of discontinuance liability (if all the accrued benefits were to settle immediately) as at the valuation date is Rs. 7,441,643/-

2) Bifurcation of Laibility as per Schedule III	2025-26	2024-25
Current Liability	75,295	2,91,664
Non- Current Liabilty	-	2,26,903
Net Liabilty (Asset)	**75,295**	**5,18,567**

(3) The amounts recognized in the statement of Profit and Loss Account are as follows: -	2025-26	2024-25
Current Service cost	2,91,664	2,78,678
Interest cost on benefit obligation	24,974	21,568
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized during the year	-	-
Past service cost	-	-
Losses (gains) on curtailments & settlement	-	-
Total included in ‘Employee benefit Expenses’	**3,16,638**	**3,00,246**

(Currency: Amount in Rupees)

(4) Other Comprehensive Income for the current period	**2025-26**	**2024-25**
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumption	-2,34,526	2,15,623
Due to experience adjustment	-3,86,223	-3,26,523
Return on plan assets excluding amounts included in interest income	-1,10,880	-79,181
Amounts recognized in Other Comprehensive (Income) / Expense	**-7,31,629**	**-1,90,081**

(5) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:	**2025-26**	**2024-25**
Opening defined benefit Obligation	66,86,634	62,26,455
Current service cost	2,91,664	2,78,678
Interest cost	3,72,873	3,70,332
Due to experience adjustments	-3,86,223	-3,26,523
Due to Change in financial assumptions	-2,34,526	2,15,623
Benefits Paid	-	-77,931
Closing defined benefits obligation	**67,30,422**	**66,86,634**

(6) Changes in the fair value of plan assets representing reconciliation of the opening and closing balance thereof are as follows: (expressed as weighted averages):	**2025-26**	**2024-25**
Opening fair value of plan assets	61,68,067	57,87,557
Interest Income	3,47,899	3,48,764
Return on plan assets excluding amounts included in interest income	1,10,880	79,181
Contribution by employer	28,281	30,496
Benefit Paid	-	-77,931
Closing fair value of plan assets	**66,55,127**	**61,68,067**

The actual return on the assets is Rs. 4,58,779/- (P.Y. Rs. 4,27,945/-).

(7) Principle actuarial assumptions

Particulars	**2025-26**	**2024-25**
Discount Rate	7.25 % p.a	6.70 % p.a
Salary Growth Rate	7.00 % p.a.	7.00 % p.a.
Withdrawal Rates	10.00% p.a at younger ages reducing to 2.00% p.a% at older ages	10.00% p.a at younger ages reducing to 2.00% p.a% at older ages
Rate of Return on Plan Assets	7.25 % p.a	6.70 % p.a

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2026
CIN : L99999MH1976PLC019331
(Currency: Amount in Rupees)

41 Related Parties Disclosure:
Disclosure of related parties/related party transactions pursuant to Ind AS 24 " Related Party Disclosures"

a. Enterprises controlled by Director and Relatives

EskeTex (India) Private Limited	Sunil Exim Private Limited
Sunil Fabrics Private Limited	Sunil Bleaching Co. Private Limited
Sunil Synthetics Private Limited	Rarefab Textiles Private Limited
Sunil Prints Private Limited	Apple Mines & Mineral Pvt Ltd
Image Dealcom Private Limited	

b. Key Management Personnel and their relatives

Name	Relationship	Name	Relationship
Mr.Vinod Lath	Chairman & Managing Director	Mr.Laxmikant Lath	Relatives of Executive Directors
Mr. Pradeep Roongta	CFO & Whole Time Director	Mr.Prateek Roongta	Relatives of Executive Directors
Mr.Rohit Gadia	Director	Mrs.Saroj Lath	Relatives of Executive Directors
Mrs.Shruti Saraf	Director	Mrs.Beena Roongta	Relatives of Executive Directors
Mr.Rajesh Tibrewal	Director	Mrs. Vandana Lath	Relatives of Executive Directors
Mr.Sourabh Sahu	Company Secretary		

c. Transaction with related parties :

Name of Party	Nature of Transaction	2025-26	2024-25
Eske Tex (India) Private Limited	Interest Paid	29,15,162	22,55,703
	Loan Repaid during the year	9,47,00,000	3,24,00,000
	Loan Received During the year	9,47,00,000	3,22,00,000
Rarefab Textiles Private Limited	Interest Paid	26,87,918	23,63,859
	Loan Repaid during the year	8,09,00,000	2,88,00,000
	Loan Received During the year	8,09,00,000	2,88,00,000
Apple Mines & Mineral Pvt Ltd	Interest Paid	2,15,408	1,94,611
	Loan Repaid during the year	24,00,000	21,00,000
	Loan Received During the year	24,00,000	21,00,000
Sunil Bleaching Co. Private Limited	Interest Paid	12,09,551	8,62,763
	Loan Repaid during the year	2,52,00,000	1,34,37,000
	Loan Received During the year	2,52,00,000	1,34,00,000
Sunil Exim Private Limited	Interest Paid	7,00,077	5,58,288
	Loan Repaid during the year	78,00,000	61,50,000
	Loan Received During the year	78,00,000	61,50,000
Sunil Fabrics Private Limited	Interest Paid	5,92,373	4,74,230
	Loan Repaid during the year	66,00,000	58,00,000
	Loan Received During the year	66,00,000	58,00,000
Sunil Prints Private Limited	Interest Paid	1,34,630	32,480
	Loan Repaid during the year	15,00,000	3,50,000
	Loan Received During the year	15,00,000	3,50,000
Sunil Synthetics Private Limited	Interest Paid	4,12,866	3,79,105
	Loan Repaid during the year	46,00,000	43,00,000
	Loan Received During the year	46,00,000	43,00,000
Image Dealcom Private Limited	Interest Paid	41,01,387	26,29,084
	Loan Repaid during the year	6,69,81,372	5,00,00,000
	Loan Received During the year	6,69,81,372	5,00,00,000
Vandana Textiles	Rent paid	9,00,000	9,00,000
Mr.Vinod Lath	Interest Paid	5,45,178	5,67,449
	Loan Received During the year	1,70,00,000	1,00,00,000
	Loan Repaid during the year	1,70,00,000	1,00,00,000
	Remuneration to Directors	24,00,000	24,00,000
Mr. Pradeep Roongta	Remuneration to Directors	24,00,000	24,00,000
Mr. Ramesh Khanna	Professional Fees	-	5,00,000
Mr.Sourabh Sahu	Remuneration to Company Secretary	2,16,000	2,16,000
Mrs.Beena Roongta	Salary Paid	12,00,000	12,00,000
Mr.Prateek Roongta	Salary Paid	15,00,000	15,00,000

(Currency: Amount in Rupees)

d. Balance Outstanding of Related Parties :

Name of Party	Receivable/Payable	As at 31st March, 2026	As at 31st March, 2025
Vinod Lath	Payable	1,63,000	-
Pradeep Roongta	Payable	1,63,000	-
Sourabh Sahu	Payable	17,800	17,800

Note:

The related party relationships and transactions have been determined by management of the Company on the basis of the requirements of the Ind AS 24 " Related Party Disclosures" and the same have been relied upon by the auditors.

The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year.

Related parties have been identified by the Management. Actual re-imbursement of expenses/taxes paid on behalf of related parties is not considered as a related party transactions for disclosure purpose

42 Contribution to political parties during the year 2025-26 is Rs. Nil (previous year Rs. Nil).

43 There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2026.

44 Disclosure pertaining to Immovable properties

i) The title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

ii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

45 Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority

46 Compliance related to number of layers prescribed under clause (87) of Section 2 of the Act is not applicable to the Company, keeping in view the fact that the Company has no subsidiaries.

47 Utilisation of Borrowings availed from Banks and Financial Institutions

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

48 Crypto Currency / Virtual Currency

The company has not done any transaction in Crypto or Virtual currency.

49 The company has not entered into any Scheme's of arrangements with the competent authority in terms of Sec. 230 to 237 of the Companies Act, 2013.

50 Details of pending charge creation / satisfaction registration with ROC.

The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

51 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

Particulars	As at 31st March, 2026	As at 31st March, 2025
a) repayable on demand	-	-
b) without specifying any terms or period of repayment	-	-

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

Type of Borrower	Terms of repayment	As at 31st March, 2026		As at 31st March, 2025	
		Amount in the nature of loan outstanding	% to the total Loans and Advances in the nature of loans	Amount in the nature of loan outstanding	% to the total Loans and Advances in the nature of loans
Promoters		-	-	-	-
Directors		-	-	-	-
KMP's		-	-	-	-
Related Parties	Repayable on Demand	-	-	-	-

The Company has not extended any loans to its related parties during the year and previous year.

52 Reconciliation and Deviation in Submitting the Stock Statements to lenders:

The Stock, Debtor and Creditors statement are submitted to the Standard Chartered Bank. The deviation in the Quarterly Stock-Book debts statements as compared to the books are explained in the below table:

Name of the Bank	Quarter for the FY 2025-2026	Particulars of Securities Provided	Amount as per Books of accounts	Amount as reported in the quarterly return/ statement	Amount of difference
Standard Chartered Bank	Qtr 1	Stock	23,87,94,753	23,87,95,000	-247
		Debtors	1,33,98,54,140	1,33,98,54,000	140
		Creditors	61,71,41,902	61,71,35,000	6,902
Standard Chartered Bank	Qtr 2	Stock	17,77,59,584	17,77,59,000	584
		Debtors	99,07,70,164	99,07,70,000	164
		Creditors	25,67,98,902	25,67,96,000	2,902
Standard Chartered Bank	Qtr 3	Stock	18,71,18,681	18,71,19,000	-319
		Debtors	72,18,95,449	72,18,95,000	449
		Creditors	9,42,57,086	9,42,65,000	-7,914
Standard Chartered Bank	Qtr 4	Stock (Refer note 5)	24,36,49,876	24,36,49,000	876
		Debtors	73,49,76,657	73,49,76,000	657
		Creditors	21,86,65,036	21,86,56,000	9,036

Reason for Material Discrepancies :

1. The company has submitted Stock-Book-Debt Statement to bankers on provisional basis/un-audited as per the bankers requirements in every month.
2. The value of unaudited creditors of goods includes creditors for expenses. The debt statement provided to bankers are only in related to un-paid stock.
3. The Variance in Book-Debt outstanding are due to Debit/Credit Notes and other claims adjustment.
4. There are no-material variance in value of inventory submitted to bankers.

Name of the Bank	Quarter for the FY 2024-2025	Particulars of Securities Provided	Amount as per Books of accounts	Amount as reported in the quarterly return/ statement	Amount of difference
Standard Chartered Bank	Qtr 1	Stock	20,52,01,467	20,52,01,000	467
		Debtors	49,63,38,150	49,70,74,000	-7,35,850
		Creditors	18,93,21,320	9,41,41,000	9,51,80,320
Standard Chartered Bank	Qtr 2	Stock	25,20,27,620	25,20,27,000	620
		Debtors	75,44,03,398	76,52,39,000	-1,08,35,602
		Creditors	25,76,88,252	21,06,39,000	4,70,49,252
Standard Chartered Bank	Qtr 3	Stock	25,59,55,004	25,59,55,000	4
		Debtors	96,76,58,661	95,35,73,000	1,40,85,661
		Creditors	41,86,25,293	27,43,92,000	14,42,33,293
Standard Chartered Bank	Qtr 4	Stock	21,19,81,140	21,19,81,000	140
		Debtors	55,49,71,779	55,49,87,000	-15,221
		Creditors	15,72,12,856	11,60,02,000	4,12,10,856

Reason for Material Discrepancies :

1. The company has submitted Stock-Book-Debt Statement to bankers on provisional basis/un-audited as per the bankers requirements in every month.
2. The value of unaudited creditors of goods includes creditors for expenses which are later reclassified. The debt statement provided to bankers are only in related to un-paid stock.
3. The Variance in Book-Debt outstanding are due to Debit/Credit Notes and other claims adjustment.
4. The variance in inventory is due to subsequent rectification of consumption and valuation of stock

5 The Inventory of quarter 4 includes non moving inventory of Rs. 1,24,69,068 whose value has been considered as zero.

53 Contingent Liabilities

Particulars	**As at 31st March, 2026**	**As at 31st March, 2025**
Bank Guarantee	5,47,74,273	6,11,53,491
Disputed Excise Duty liability*	-	-
Disputed Customs Duty liability of M/s. Sunil Impex, a firm in which the company was an erstwhile partner sharing 80% profit and loss (to the extent of the profit and loss sharing ratio).**	3,36,00,000	3,36,00,000
Disputed TNVAT liability (Inclusive of penalty of Rs. 20.82 lakhs)***	28,04,623	28,04,623
Disputed Goods & Services Tax (GST) for the F.Y. 2017-18 to 2019-20****	2,32,11,754	2,32,11,754

* In the case of Excise Duty Liability, the Company had filed an appeal before CEGAT. An order was passed by CEGAT dated 30.01.2018 and had remanded the matter back to the Adjudicating Authority namely Commissioner of Central Excise, Thane-I to adjudicate the matter afresh, hence the demand of Rs.1.41 crores stands remitted until the final order is passed by the Commissioner of Central Excise, Thane-I. The management is of the view no provision is made as this will not impact the financial statements.

** In the case of Custom duty, the contingent liabilities is on account of the "departmental" appeal filed by custom authorities, the company had in fact received the order in its favor, in the first appeal. Therefore the management of the company is of the view that the departmental appeal would be dismissed in favor of the company, hence the same is shown as a contingent liability and no provision is made as it will not impact the financial statements

*** In the case of TNVAT Liability, the company has filed appeal to the Sales Tax/VAT authorities. The management is in the view that the demands will be deleted and no provision is to be made as this will not impact the financial statements.

**** The company has filed an appeal against the said order, Commissioner Appeal GST Act Central Excise against the said claim, where the management of the company is sure that this claim will be nullified and the case shall be in favour of the company. In order to file the appeal the company has deposited 10% of the disputed liability under protest on 15-04-2025 amount to Rs.23,21,178/- by way of debiting the GST Credit Register.

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2026
CIN : L99999MH1976PLC019331
(Currency: Amount in Rupees)

54 Capital Commitments

Particulars	**As at 31st March, 2026**	**As at 31st March, 2025**
Estimated amount of capital contracts remaining to be executed on capital account and not provided.	-	4,00,00,000

55 No proceedings were initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.

56 Disclosure on transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961, is not applicable to the Company, since no such event occurred during the year.

57 Segmental Reporting
The Company is engaged only in Textile business and there are no separate reportable segments as per Ind AS 108.

58 Utilization of borrowed funds and share premium:

A) The company has not granted/advance/invested funds in any entities or to any other person including foreign entities during the year with the understanding that the:
a) Intermediary shall directly or indirectly lend or invest in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries).
b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

B) The company has not received any funds during the year from any person's/entities including foreign entities with the understanding that the company shall
a) Directly or indirectly lend or invest in any manner whatsoever by or on behalf of the funding entity (Ultimate beneficiaries).
b) Provide any gurantee, security or the like to or on behalf of the ultimate beneficiaries.

59 Relationship with Struck off Companies
There are no companies which are struck off in MCA.

60 Rule 11(g) of Companies (Audit and Auditors) Rules, 2014
The Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares.

61 In the opinion of the Board :
i) The current assets, loans and advances will realise in the ordinary course of business, at least the amount at which these are stated in the Balance Sheet. The balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.
ii) Provision for all known liabilities have been made.

62 The company has a spinning unit at Dindigul, Tamilnadu. The accounts of the Dindigul unit has been audited by B. Thiagarajan & Co.

63 Figures of previous year have been regrouped, rearranged, reclassified where ever necessary to make them comparable with that of current year.

For V.K.Beswal & Associates
Chartered Accountants
Firm Reg No.:101083W

Sd/-
CA Nishit S Agrawal
Partner
Membership Number- 159882

Place : Mumbai
Date : 29-05-2026

For and on behalf of Board of Directors
Sunil Industries Limited

Sd/-
Vinod Lath
(Chairman & Managing Director)
(DIN:64774)

Sd/-
Pradeep Roongta
(CFO & WTD)
(DIN:130283)

Sd/-
Sourabh Sahu
Company Secretary