VISHAL FABRICS LTD
ANYONE ANYTIME ANYWHERE

CHIRIPAL

July 13, 2026

To,
BSE Limited.
Phiroze Jeejeebhoy Towers
Dalal Street, Fort.
Mumbai – 400001

Dear Sir/Madam,

Sub.: Corrigendum to the Annual Report for the Financial Year 2025-26
Ref.: Vishal Fabrics Limited, Scrip Code: 538598, Security ID: VISHAL

This is to inform you that an incorrect copy of the Annual Report of the Company was uploaded on July 13, 2026 which had certain typographical errors in agenda no. 1 of Notice **(adding word consolidated)**

The revised copy of the Annual Report is enclosed herewith.

https://vishalfabricsltd.com/investor-relations/
We request you to consider the same and take the same on record.

Thanking you,
For, VISHAL FABRICS LIMITED

BRIJMOHAN DEVKINANDAN CHIRIPAL
Digitally signed by BRIJMOHAN DEVKINANDAN CHIRIPAL
Date: 2026.07.13 14:41:31 +05'30'

Brijmohan D. Chiripal
Managing Director
DIN: - 00290426

Annual Report **2025-26**

Decades of ***Dedication.*** *A Legacy of* ***Excellence.***

Navigation

Across the Pages

Company Listed At:	BSE Limited
BSE Scrip Code:	538598
ISIN Number:	INE755Q01025
Market Capitalization as at 31st March, 2026:	BSE- 374.14 Crores
AGM Date & Time:	11th August, 2026 at 11: 00 A.M. (IST)
AGM Mode:	Video Conferencing (VC) / Other Audio-Visual Means (OAVM)

Decades of Dedication. **A Legacy of Excellence.**

Founded in 1985, Vishal Fabrics Limited set out with a singular conviction: denim should be more than a fashion statement. Four decades on, that conviction has shaped one of India's most trusted textile processors - a company known for its mastery of dyeing, printing and processing, its uncompromising quality standards and its vision of making denim an everyday household necessity.

For decades, Vishal Fabrics has stood as a symbol of dedication, craftsmanship and enduring excellence. Our journey has been shaped by a relentless pursuit of quality, continuous innovation and an unwavering commitment to redefining denim and contemporary fashion.

At Vishal Fabrics, every fabric reflects our legacy of precision and progress. By seamlessly integrating innovation, advanced technology and sustainable practices into our operations, we continue to transform denim into a medium of evolving style and modern expression. Our focus extends beyond manufacturing fabrics - we create experiences that resonate with changing consumer aspirations across global markets.

Driven by deep market understanding and strong technical capabilities, we develop versatile and high-performance fabrics tailored to diverse fashion sensibilities. Our wider-width fabric offerings further strengthen our promise of delivering enhanced value, superior functionality and differentiated design solutions.

Over the years, our collaborations with leading domestic and international brands have reinforced our position as a trusted textile partner built on consistency, reliability and innovation-led growth. We do not merely adapt to industry evolution - we strive to shape it.

As we move forward, we remain committed to carrying our legacy ahead with the same spirit of dedication that has defined us for decades.

With a strong foundation, responsible manufacturing practices and a future-focused outlook, Vishal Fabrics will continue weaving stories of excellence, sustainability and enduring value into every thread.

Engineering Denim Excellence

For over four decades, Vishal Fabrics Limited has remained committed to transforming textile manufacturing through innovation, agility and responsible growth. The Company has evolved into one of India's prominent fabric processing players with strong capabilities across denim and diversified textiles.

Backed by advanced processing infrastructure, deep industry relationships and a quality-first approach, Vishal Fabrics delivers high-performance fabrics tailored to evolving global fashion requirements. The Company continues to strengthen its position through operational efficiency, scalable manufacturing and a growing focus on sustainable production practices.

With manufacturing facilities strategically located in Gujarat, the Company serves customers across domestic and international markets, supplying fabrics that combine durability, comfort, design innovation and consistent quality standards. Today, Vishal Fabrics stands as a trusted partner to brands seeking reliability, scale and differentiated textile solutions.

Our reach extends far beyond India's borders. From South Africa to Thailand, Sri Lanka to Bangladesh, we serve a growing international clientele with solutions that blend precision craftsmanship and consistent quality - fabric that doesn't just get worn, but truly experienced.

Vishal Fabrics- At A Glance

Advanced capabilities across denim dyeing, printing and finishing

40+ YEARS
of industry presence

100+
Million Metres annual fabric processing capacity

11+ COUNTRIES
Global presence

440+
Employees driving operational excellence

1 MW CAPTIVE POWER INFRASTRUCTURE

Vision

To redefine denim and fabric processing through innovation-led manufacturing, sustainable operations and globally benchmarked quality standards.

Mission

To create value-driven textile solutions by combining technology, operational excellence and customer-centric product development.

Core Values

- Integrity in operations
- Consistency in quality
- Innovation in manufacturing
- Sustainability in action
- Customer-first mindset

Group Companies

Building Strength Through Diversification

Vishal Fabrics benefits from the larger ecosystem of the Chiripal Group- one of India's most diversified industrial conglomerates. The Group's integrated structure spans the full textile value chain, from fibre to finished fabric, as well as petrochemicals, packaging, education and emerging technology, enabling integrated sourcing capabilities, operational synergies and diversified business exposure.

Business Verticals

Textiles & Fabrics

- Nandan Denim Limited
- Vishal Fabrics Limited
- Nandan Terry Limited
- Chiripal Industries Limited
- Vraj Integrated Textile Park Limited

Energy

- **True Green Energy Ltd**
  (Formerly known as
  CIL Nova Petrochemicals Limited)

Yarn & Petrochemicals

- **Chiripal Industries Limited –** Petrochemical Division

Robotics & AI

- HRF / WSRO

Education

- Shanti Educational Initiatives Limited

Packaging Solutions

- Chiripal Poly Films Limited

Global Footprint

Catering to a host of Customers

We serve customers across continents - supplying fashion brands, garment manufacturers and e-commerce platforms with fabric that meets international quality, sustainability and delivery standards. Our international operations are anchored by long-term relationships built on trust, consistency and the ability to produce at scale.

11+
Countries
Active market presence

4
Continents
Asia, Africa, Europe, Americas

100+
Countries
Indirect export reach

Key International Markets

Region	Markets	Nature of Engagement
South Asia	Bangladesh, Sri Lanka, Nepal, Kenya	Garment manufacturers, fabric dealers
South-East Asia	Thailand	Fashion brand supply chain
Africa	South Africa	Retail & institutional buyers
Emerging Targets	Portugal, Panama, Kenya, Morocco	Active prospecting underway

With per-capita denim consumption in India still below one garment annually - compared to four to six in Western markets - we see the domestic opportunity as equally, if not more, significant. Our export ambition is complemented by a disciplined drive to deepen brand partnerships and regional penetration across India's north, west and emerging east.

Global Presence

Serving customers across:

Ethos and Pillars of **Strength**

Driving Green Growth embedded in Ethos

Our Ethos:

A four-decade legacy of excellence, seamlessly blending industrial leadership with cutting-edge innovation and a steadfast commitment to a greener planet.

> We don't choose between financial success and environmental responsibility-we achieve both.

01

The Double Bottom Line:

The Double Bottom Line: Integrating sustainability and innovation to unlock profitable growth while actively fostering a healthier planet.

02

Eco-Friendly Offerings:

Seamlessly embedding eco-friendly practices directly into our product offerings to minimize our environmental footprint.

03

The Perfect Balance:

Striking an intricate balance between sharp business acumen and deep environmental consciousness.

04

Conscientious Success:

Optimizing profitability by aligning our corporate success with a highly responsible, sustainable approach to business.

Our Pillars of Strength:

Our core principles animate every decision at Vishal Fabrics - shaping our operations, our culture and the way we deliver value across global markets.

Pillar	Focus Area	Impact & Approach
Market Leadership	Textiles & Premium Denim	Undisputed global leader and one of the foremost producers of premium denim fabric. Our goodwill, brand trust, and reliability is a testament to our standing. They are evidence of the systems, discipline and culture we have built over four decades.
Tech & Innovation	Value Chain Integration	Our facilities combine advanced technology with smart, energy-efficient processes to produce a diverse range of high-quality textiles. We pursue end-to-end process excellence - because innovation at the machine is only half the equation; it must be matched by innovation in thinking.
Sustainability	Eco-Friendly Practices	Sustainability is not a constraint; it is a competitive differentiator. We have integrated cutting-edge, environmentally responsible technologies across our operations - zero-discharge water systems, renewable energy sourcing and material waste repurposing - that have made us a preferred supplier for customers who take their ESG commitments seriously.
Integrity & Impact	Cultivating a culture of trust and growth	We operate with the highest ethical standards in every interaction - with our employees, our customers and the communities in which we are embedded. Our integrity is not just a value on paper; it is the operating system of this organisation, validated by decades of trusted relationships and consistent conduct.

Technical Prowess

DSIPL Denim Unit - machinery & production capabilities

464
Weaving looms

11
Warping units

8
DR machines (dyeing)

3
Singeing machines

2
Mercerising units

1
Stenter

4
Wet finishing machines

14
Inspection machines

Specialised Equipment

Foam finish machine Dobby + cam (Tsudakoma)
Kiss-roll finishing machine

Enables production of shirting fabrics, dress materials, and home furnishing fabrics in both narrow and wider widths.

Innovative Advancement

Production Scale & Infrastructure

100M+
Metres of processed fabric produced annually

1 MW
Captive power plant installed capacity

Key Machinery

- Continuous Bleaching Range (CBR)
- Rotary Screen Printing Machine
- Continuous & Loop Agers
- Hydro Extractors
- Sanforizing Machine
- Liza Brushing Machine
- Sueding Machine

VISHAL FABRICS LTD

Corporate Milestones

Our Journey This Far...

1985–89

Established fabric dyeing and processing operations with **105 MMPA capacity** - the beginning of the Vishal story

2014–16

Listed on BSE Mainboard (transferred from SME Platform); commenced capex for denim manufacturing with **80 MMPA** processing capacity

2016–17

Commercial operations of denim lines 1–4; raised **₹878 million** through a rights issue

2017–18

Commissioned denim lines **5–8, significantly** expanding production capacity

2018–19

Achieved total dyeing and processing capacity of **105 MMTPA**; denim processing capacity at 80 MMTPA

A glance at the milestones that shaped our progress- from humble beginnings to expansion, value-addition, and diversification

Every step in our journey reflects a deliberate commitment - to scale, to quality and to the conviction that denim is a fabric for everyone, everywhere.

2021-22: Issued **5,00,00,000** warrants aggregating ₹153 Crores to various FIIs

2022-23: Achieved highest-ever topline turnover of ₹**1,547.86 Crore**

2023-24: Strategic investments in associate companies to enhance operational synergies and market reach

2024-25: Commissioned additional denim production line; raised total dyeing capacity to 90 MMTPA and processing to 105 MMTPA

2025-26: Achieved highest-ever topline turnover of ₹**1,602.11 Crore**

Trusted by **Leaders**

Making a Mark in the Denim Fashion Industry

Our clients represent some of the most respected names in Indian and global fashion. We supply to brands and retailers that demand exacting standards of quality, consistency, sustainability compliance and delivery precision - benchmarks that our manufacturing systems are built to meet, every time.

Our domestic brand portfolio includes Killer, Spykar, Pepe Jeans and Mufti. We are actively expanding brand partnerships, particularly across India's high-growth urban markets in Mumbai and Bengaluru, where branded denim penetration is rising rapidly.

Only 5% of our production currently supplies branded labels. The headroom for expansion - both in domestic brand partnerships and export volumes - is substantial and forms a central plank of our growth strategy.

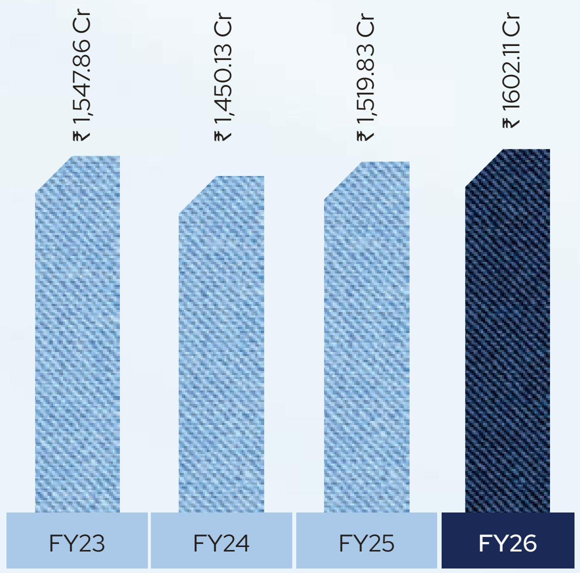
MARQUEE CLIENTELE

Wrangler The Western Original	Being human CLOTHING	H&M	Levi's
Calvin Klein	DIESEL	ZARA	Lee
TOMMY HILFIGER	GAS	KILLER	
EMPORIO ARMANI	The Roadster Life Co.		

Financial Snapshot

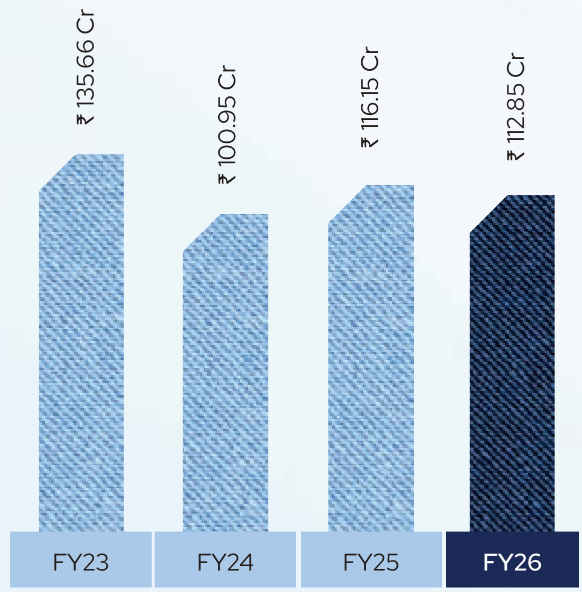
Revenue from operations
(₹ in crores)

₹1602.11 CR



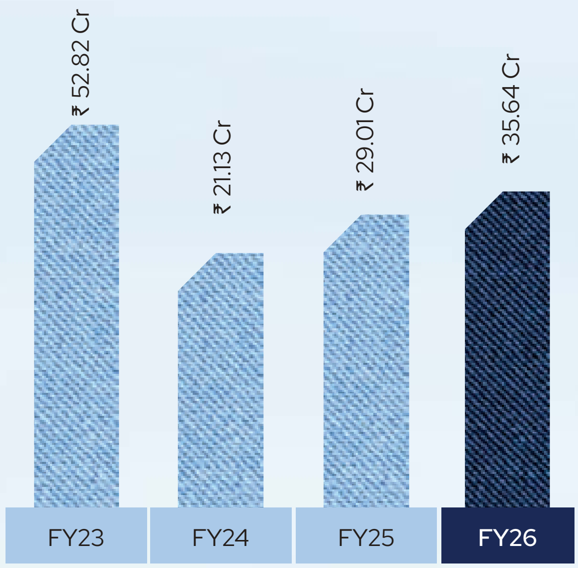
EBITDA
(₹ in crores)

₹112.85 CR



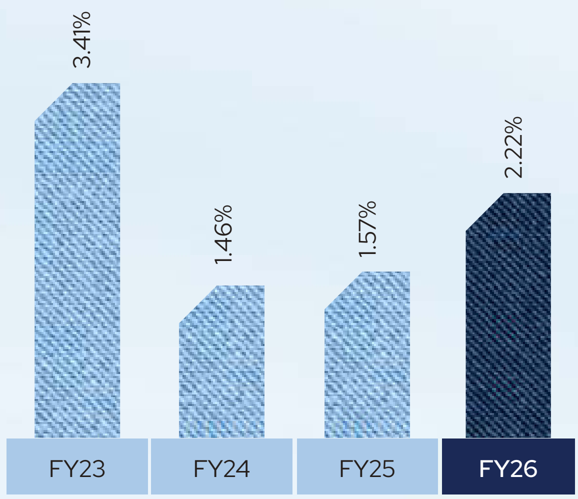
PAT (Consolidated)
(₹ in crores)

₹35.64 CR



PAT Margin
(%)

2.22%

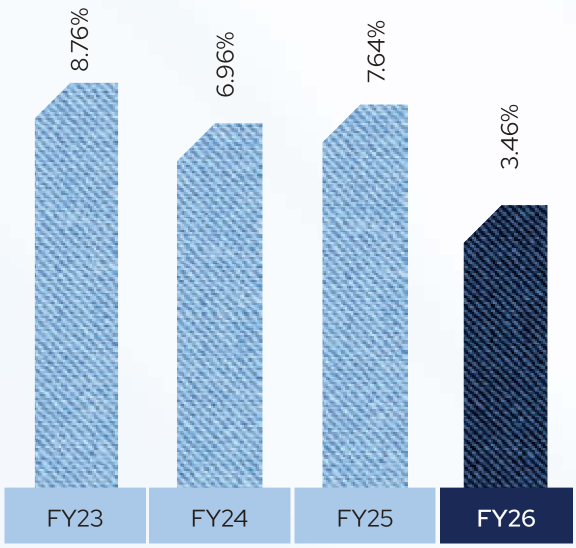


A Glimpse of our Growth Trajectory

Our financial trajectory reflects disciplined execution - consistent revenue scale, structured deleveraging and a commitment to quality-driven growth even through challenging macro cycles.

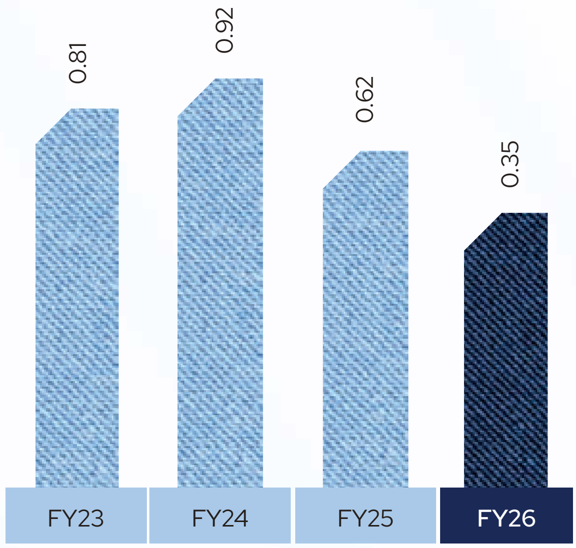
EBITDA Margin
(%)

3.46 %



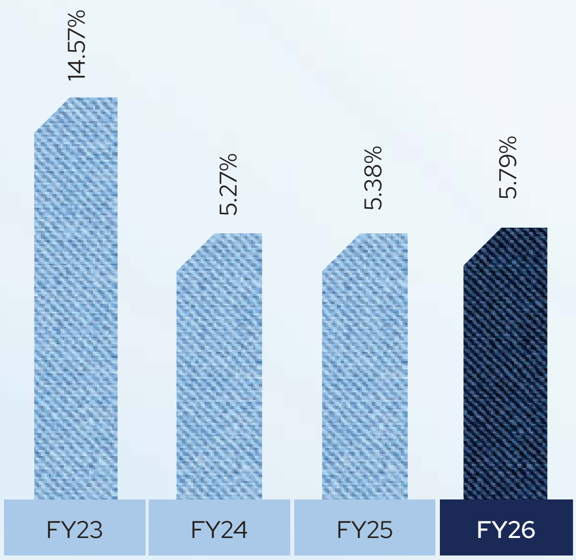
Debt Equity Ratio
(times)

0.35



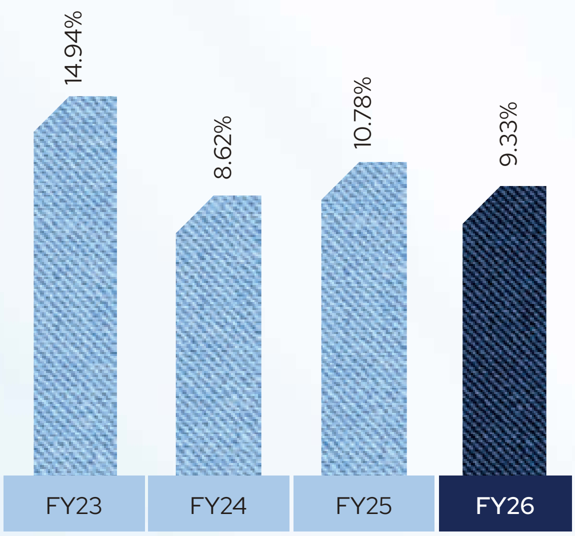
ROE
(%)

5.79%



ROCE
(%)

9.33%



VISHAL FABRICS LTD

Managing Director's
Message

"Your Company is strategically positioning themselves to capitalise on the evolving dynamics of the textile and fashion industry through focused product innovation, enhanced wider-width fabric capabilities and a strengthened commitment towards sustainability-ledmanufacturing. Simultaneously, we continue to deepen our presence across domestic and international markets, enabling us to cater to changing customer preferences with greater agility and efficiency."

Scaling with Discipline. Growing with Purpose.

Dear Shareholders,

I am thrilled to present the 41st Annual Report for FY 2025-2026, marking another year of significant achievements for your company. Our theme for the year "Decades of Dedication. A legacy of Excellence." encapsulates your Company's enduring commitment to quality, innovation and responsible growth, built through years of industry expertise and a continued pursuit of manufacturing excellence.

FY 2025-26 was a year shaped by resilience, strategic focus and disciplined execution. Despite global uncertainty, evolving demand patterns and pricing volatility across the textile sector, your Company continued to strengthen its operational foundation while maintaining long-term growth priorities.

India's textile sector continues to present strong long-term opportunities supported by policy reforms, export diversification and rising domestic consumption. Simultaneously, global sourcing realignments are creating opportunities for Indian textile manufacturers with integrated and scalable operations. The nation's strong economic momentum amid evolving global conditions continues to reinforce confidence across industries. India has sustained its position among the world's fastest-growing major economies, supported by robust domestic demand, infrastructure development and progressive policy reforms. Simultaneously, the textile and apparel sector is witnessing a significant transformation driven by changing consumer preferences, increasing fashion consciousness and rising demand for sustainable and responsibly manufactured products. The growing influence of digital commerce and global sourcing diversification is further accelerating opportunities for Indian textile manufacturers.

Your Company's focus remained firmly centred on manufacturing efficiency, product enhancement and customer responsiveness. Through continuous process improvements and strategic investments across the value chain, we strengthened our ability to deliver differentiated fabric solutions aligned with changing market expectations.

Your Company's commitment to responsible manufacturing remains integral to the way we operate. During the year, your Company continued to strengthen initiatives focused on energy efficiency, water recycling and environmentally-conscious production processes across our facilities. These efforts reflect your Company's long-standing vision of building a future-ready business that balances operational excellence with environmental responsibility.

With a diversified fabric portfolio and advanced processing capabilities, your Company continues to cater to the dynamic requirements of both domestic and international markets.

Your Company's operational strength lies in its ability to combine scale with flexibility, enabling it to respond efficiently to evolving fashion trends and customer expectations. Continuous investments in technology, process enhancement and product innovation have further strengthened your Company's position within the textile value chain.

As we move forward, your Company focus will remain on improving operational productivity, strengthening relationships with leading brands and expanding our global footprint. Backed by decades of dedication and a legacy of excellence, we remain committed to delivering sustainable long-term value to all our stakeholders while continuing to shape the future of modern textiles.

I express my deepest gratitude to our employees, whose dedication and hard work have been crucial to our company's progress. I extend my sincere thanks to our esteemed Board members for their unwavering commitment and to our stakeholders for their continued support and trust. Together, we can shape a bright future that balances success, sustainability, and mutual growth.

Warm Regards

Brijmohan D. Chiripal

Managing Director

DIN: 00290426

Chief Executive Officer's Message

"Backed by decades of industry expertise and a deep understanding of evolving market dynamics, we are actively exploring new growth avenues and expanding our footprint across high-potential markets while continuing to deliver value-driven textile solutions."

Strengthening Capabilities for the Next Phase of Growth

Dear Shareholders,

It is always a privilege to connect with you and reflect on the Company's journey at the close of another financial year. FY 2025–26 was shaped by evolving economic conditions, industry-wide challenges and changing market dynamics.

Despite these headwinds, Vishal Fabrics remained focused on operational discipline, innovation and long-term value creation. Our continued emphasis on process optimisation, technology integration and manufacturing efficiency enabled us to strengthen operational performance and reinforce our competitive positioning.

India's textile and apparel industry continues to demonstrate strong long-term growth potential, supported by favourable government initiatives, expanding export opportunities and increasing demand for quality-driven and ethically sourced fabrics. The industry's continued evolution towards innovation, sustainability and premiumisation aligns closely with our strategic priorities.

Operational Efficiency as a Competitive Edge

During the year under review, the textile sector witnessed volatility in raw material prices, fluctuating demand trends and persistent global uncertainties, all of which impacted overall industry performance. While these factors exerted pressure on revenues and margins, the Company's prudent financial management, disciplined cost-control measures and operational efficiencies helped maintain stability and resilience across operations. Our strategic focus remained centred on enhancing productivity, improving resource utilisation and strengthening business fundamentals to navigate the evolving business environment effectively.

Our continued emphasis on innovation, operational excellence and customer-centric development has enabled us to build a strong presence across domestic and international markets. The Company also accelerated efforts towards expanding its export footprint while simultaneously deepening domestic market penetration.

An Ambitious Export Strategy

Export diversification is a priority of the highest order. Beyond our existing volumes to Nepal and Sri Lanka, we are actively prospecting in Portugal, Panama, Kenya, Morocco and Bangladesh. Our aim for the near term is clear: export over five lakh metres of denim while building relationships that endure. India's denim quality and sustainability credentials are earning global recognition, and we intend to be at the forefront of that recognition.

Leveraging the Opportunities

As we step into another eventful year, we remain optimistic about the opportunities emerging within the textile sector and continue to focus on sustainable growth, product innovation and stronger market expansion. We are confident that our long-standing industry experience, customer relationships and manufacturing capabilities will continue to support our growth journey in the years ahead. The coming years will be guided by disciplined expansion, customer-led innovation and stronger market integration.

I would like to express my sincere gratitude to the Board of Directors for their continued guidance and strategic support. I also extend my heartfelt appreciation to our employees for their unwavering commitment and dedication and to our customers, business partners, financial institutions, government authorities and all stakeholders for their continued trust and confidence in Vishal Fabrics.

Warm Regards

Suketu Shah

Chief Executive Officer

Chief Financial Officer's Message

> We remain confident that our disciplined approach towards financial management, coupled with strong operational capabilities and market positioning, will continue to support the Company's long-term growth trajectory and stakeholder value creation.

Driving Financial Efficiency with Long-Term Vision

Dear Shareholders,

During the year, the Company prioritised improving operational productivity and enhancing asset utilisation across manufacturing facilities. Continuous efforts towards process rationalisation, tighter cost controls and optimisation of resource deployment contributed towards maintaining financial stability despite industry-wide pressures on margins and demand. Our focus remained centred on strengthening the balance sheet while ensuring adequate liquidity and operational flexibility to support business continuity and future growth opportunities.

During the year under review, your Company has achieved a Turnover of Rs. 1602.11 Crore as compared to Previous Year Rs. 1519.83 Crore. The Profit before depreciation and tax was Rs. 74.78 Crore as compared to Rs. 78.10 Crore in the Previous Year. The profit after tax for the year Rs. 32.18 Crore as compared to Profit Rs. 23.83 Crore reported in the Previous Year.

The Performance of the Company has been comprehensively discussed in the Management Discussion and Analysis Report (forming part of the Annual Report) based on the reports of the each of the units of Company.

The Company also continued to pursue a measured financial strategy aimed at improving overall efficiency and strengthening long-term value creation. Strategic emphasis on debt optimisation, prudent treasury management and disciplined expenditure enabled us to reinforce our financial fundamentals while supporting ongoing investments in technology, sustainability and operational enhancement initiatives.

In the coming fiscal, our priorities will remain focused on improving profitability through operational excellence, strengthening return ratios and maintaining a robust financial framework capable of supporting sustainable growth.

We remain confident that our disciplined approach towards financial management, coupled with strong operational capabilities and market positioning, will continue to support the Company's long-term growth trajectory and stakeholder value creation.

I would like to express my sincere appreciation to our shareholders, employees, business associates and the entire Vishal Fabrics family for their continued trust, commitment and support throughout the year. Their collective dedication and resilience played a vital role in helping the Company navigate a challenging business environment while reinforcing the foundation for future growth. As we move forward, we remain committed to strengthening operational excellence, creating sustainable long-term value for all the stakeholders.

Warm Regards

Dharmesh Dattani

Chief Financial Officer

The Vishal **Advantage**

Precision at Scale

Our manufacturing infrastructure is built to produce at international standards - consistently, efficiently and at the scale that global buyers demand. Two advanced facilities in Ahmedabad, Gujarat, anchor an annual processing capacity of over 100 million metres of fabric.

The Asset-Light Advantage

Asset Light Model

Company has diversified manufacturing facilities, ~40% of yarn procuring from sister concern company and balance from open market

By retaining end-to-end control over the highest-value processes - yarn dyeing, fabric finishing and final inspection - while selectively outsourcing yarn spinning and fabric weaving, we maintain the flexibility to scale swiftly and the quality consistency our clients demand.

State-of-the-art Manufacturing Centres

	Dholi Unit	Narol Unit
Location	Dholi Integrated Spinning Park, Ahmedabad	Narol Industrial Area, Ahmedabad
Primary Focus	Denim dyeing, processing & wider-width fabrics	Core fabric dyeing, finishing & processing
Key Machinery	CBR unit, Sanforizing, Liza Brushing, 0.999 MW solar	Rotary Screen Printing, Mercerising, Sueding, Loop Agers
Capacity	Denim: 90 MMTPA dyeing; 80 MMTPA processing	Total fabric: 105 MMTPA
Certifications	ISO 9001, ISO 14001, OEKO-TEX, BCI, GOTS	Quality benchmarked to Levi's standards

Product Capability - Wide Range of Offerings

Fabric Type
Denim Bottoms, Denim Shirting and Joggings Fabric in narrow as well as wider widths

Finishes
Dyes, Desize, Mercerize, Coating and Liza finishes

Weight
3 oz. to 15 oz.
With finest counts to counts

Colours
Indigo, Sulphur and Darkest Deep Colour

Weaves
3/1, Various Structure, Jacquard, Dobby, Knits in rigid and Stretch fabrics

Fabric Blend
Cotton, Polyester and Lycra

Our product portfolio spans denim bottoms, shirting and joggings fabric in narrow and wider widths; weights from 3 z to 15 Oz; weave structures from 3/1 twill and Jacquard to Dobby and Knits in both rigid and stretch constructions; fibre blends of cotton, polyester and Lycra; and finishes including Dyes, Desize, Mercerize, Coating and Liza. This breadth enables us to serve a genuinely diverse customer base - from value-retail to premium branded fashion.

VISHAL FABRICS LTD

Our People

The Engine of our Performance

At Vishal Fabrics, our people are not just an asset - they are the engine of our performance. A workforce of 440 dedicated professionals, led by an experienced management team and united by a shared sense of purpose, is what translates our strategy into results.

440 **Total Employees**
Skilled, trained & engaged

30 **Avg. Years of Leadership Experience**
Senior management team

A Culture Built on Collaboration

We have deliberately built a workplace culture grounded in open communication, cross-functional collaboration and a shared commitment to improvement. Ideas are welcomed from every level of the organisation. Structured employee engagement programmes have strengthened morale, elevated productivity and played a meaningful role in talent retention - particularly in a competitive labour market.

Developing Tomorrow's Leaders

Targeted training and leadership development programmes are aligned with our organisational objectives - ensuring that as the business grows, the capability to lead it grows in parallel. As an essential practice, we maintain clearly defined channels for dialogue between management and workforce - enabling a culture of trust, accountability and shared success.

Environment

Built to Last, Built Responsibly

We recognise that long-term business success and environmental stewardship are inseparable. Across energy, water, waste and biodiversity, our sustainability initiatives are systematic, measurable and integral to how we operate.

Energy Management

Our on-site captive solar infrastructure - including a 1 MW rooftop solar plant at our Dholi unit and solar panels at our Corporate Office - fulfils a significant portion of our operational energy needs. Energy optimisation measures include inverters and AC drives to reduce consumption, FRP fans replacing metal fans across all plants, a hot water collector for reuse, and liquid indigo colour adoption over powder to improve quality and cost efficiency. These initiatives collectively reduce our carbon footprint and

Water Management

Vishal Fabrics Limited (VFL) Operating on a strict Zero Liquid Discharge (ZLD) framework, VFL ensures that 100% of the water supply used in production is recovered. The facility utilizes an advanced Effluent Treatment Plant (ETP) alongside a high-efficiency, three-stage Reverse Osmosis (R.O.) system. Through innovative counterflow engineering, the water utilized for rinsing yarns is continuously captured, purified, and redirected back to the finishing departments.

Furthermore, VFL has swapped traditional powdered indigo dyes for eco-friendly, pre-reduced liquid indigo, mitigating hazardous chemical exposure and preventing pollutant expulsion at the root.

Waste Management

Residual cotton fibres are repurposed into denim bags, tablecloths, mats and covers - reducing landfill waste, supporting a circular economy model and lowering our overall environmental impact.

Air Quality & Biodiversity

Extensive green spaces within our manufacturing facilities improve air quality and support a healthy on-site ecosystem. Our plantation programme - with over 2,00,000 saplings

planted since 4 years- reflects a long-term commitment to ecological balance and community wellbeing. Vishal Fabrics Limited (VFL) Operating on a strict Zero Liquid Discharge (ZLD) framework, VFL ensures that 100% of the water supply used in production is recovered. The facility utilizes an advanced Effluent Treatment Plant (ETP) alongside a high-efficiency, three-stage Reverse Osmosis (R.O.) system. Through innovative counterflow engineering, the water utilized for rinsing yarns is continuously captured, purified, and redirected back to the finishing departments.

Furthermore, VFL has swapped traditional powdered indigo dyes for eco-friendly, pre-reducedliquidindigo,mitigating hazardous chemical exposure and preventing pollutant expulsion at the root.

0 DISCHARGE **Water Policy**
Zero liquid discharge operations

1 MW **Rooftop Solar**
At Dholi unit alone

2,00,000+ **Saplings Planted till date**
Green cover & air quality

Social

Investing in Our Communities

Our corporate social responsibility goes beyond compliance - it reflects a genuine commitment to building a more inclusive, empowered and healthier society in the communities where we operate.

Implementation Partners

- Arya Foundation
- Happiness Reserve Foundation
- Chiripal Charitable Trust
- Aggrasain Trust
- Milestone Educom Trust

₹0.99 CR

CSR Expenditure FY26
Across 4 implementation partners

World Stem & Robotics Olympiad (WSRO)

World STEM & Robotics Olympiad (WSRO) is a prominent Robotics Education company catering to age groups 4 to 26 providing in-depth knowledge of robotics and technology. Through WSRO, our mission is To inspire and empower the next generation of innovators and leaders through robotics and STEM education, fostering creativity, critical thinking, and a passion for technology. Furthermore, our objective is o raise the technical skill and bridge the gap between industries and academia acquired.

Education & Digital Learning

We upgraded school infrastructure - providing desks, benches, blackboards, science labs and libraries. Digital classroom enablement was supported through computers, hardware and smart class teaching aids. Educational kits, books and scholarships were distributed, and workshops on self-defence, soft skills and career counselling were conducted across communities.

Youth & Women Empowerment

Career guidance sessions supported informed decision-making for young individuals. Campaigns promoted addiction-free lifestyles and social well-being. Women-focused initiatives addressed health awareness and pathways to self-reliance. teamwork at the grassroots.

Sports Development

We supported the development of rural and nationally recognised sports - including Paralympic and Olympic disciplines - to nurture talent, promote physical well-being and build values of discipline and teamwork at the grassroots.

Governance

Robust practices that earn Trust

The Company places strong emphasis on corporate governance, recognising it as a cornerstone of long-term sustainability and responsible business growth. Guided by an experienced Board and a robust governance framework, the Company remains committed to upholding the highest standards of accountability, transparency and ethical business conduct across all aspects of its operations.

Through well-defined policies, effective oversight mechanisms and a culture of compliance, the Company continues to strengthen stakeholder confidence while fostering trust among investors, customers, employees and the wider community.

Board Structure & Independence

The Board comprises six directors - three executive and three independent - ensuring balanced oversight and the diversity of perspective that sound governance demands. The roles of Chairman and CEO are held separately, with the Chairman providing strategic oversight and the CEO managing day-to-day execution. This separation is not a formality; it is a deliberate design for accountability.

Board Committees

Committee	Chairman	Key Responsibilities
Audit Committee	Mr. Susanta Kumar Panda	Financial reporting, internal controls, audit oversight
Nomination & Remuneration	Mr. Ram Krishna Dash	Director appointments, remuneration policy
Stakeholders' Relationship	Mr. Ram Krishna Dash	Investor grievance resolution, shareholder services
CSR Committee	Mr. Brijmohan D. Chiripal	CSR policy, programme oversight, expenditure approval

Related Party Transactions Policy

Our comprehensive Related Party Transactions policy establishes clear procedures to ensure all transactions are conducted at arm's length, transparently and in full compliance with applicable legal requirements - preventing conflicts of interest and preserving the trust of all stakeholders.

Whistleblower & Vigil Mechanism

Employees and other stakeholders have access to a formal vigil mechanism that enables reporting of concerns - including ethical violations, financial irregularities or governance lapses - without fear of retribution. This mechanism is overseen by the Audit Committee and reflects our commitment to a culture where integrity is non-negotiable.

The Board and KMP's at Vishal Fabrics at

Mr. Brijmohan D. Chiripal

Chairman & Managing Director

A Chemical Engineer and dynamic entrepreneur, Mr. Chiripal is the architect of Chiripal Group's textile strategy. His deep understanding of domestic and international textile markets enables the Company to maintain cost discipline, high quality standards and large-scale operations. He has been instrumental in driving innovation and new product development, and has brought rigorous execution discipline to the organisation's mission and vision.

DIN: 00290426 ·

25+ years in textile processing, export & trading

Mr. Ravindra Kumar Bajaj

Whole Time Director

An MBBS professional who transitioned into textiles, Mr. Bajaj brings a uniquely analytical perspective to manufacturing operations. His expertise spans spinning of cotton and synthetics, yarn manufacturing, fabric operations and plant management. Appointed with effect from May 25, 2019, he has been a consistent contributor to operational excellence.

DIN: 08243855

36 years in spinning, manufacturing & knitted apparels

Mr. Arvind Pandey

Whole Time Director

Holding a diploma in textile business, Mr. Pandey brings extensive hands-on experience in spinning, cloth manufacturing and plant operations. As Vice President of Plant since 2021, he has driven efficiency improvements and production quality across the Company's facilities, and continues to be a key driver of manufacturing excellence.

DIN: 10637419 ·

35 years across textile manufacturing & plant operations

Experience, Expertise, Ethics

The Company's Board brings together deep sectoral expertise, regulatory experience and independent judgment - a combination that guides strategy, ensures accountability and safeguards the long-term interests of every stakeholder.

Mr. Susanta Kumar Panda

Non-Executive Independent Director

A graduate and postgraduate in Political Science and a Law Graduate, Mr. Panda served as Member of the Central Board of Indirect Tax and Customs (CBIC) under the Department of Revenue. His deep expertise in regulatory affairs, taxation and government policy brings invaluable perspective to the Board's governance and compliance oversight functions.

DIN: 07917003 ·

IRS Officer, 1982 Batch - Ministry of Finance, Govt. of India

Mr. Ram Krishna Dash

Non-Executive Independent Director (w.e.f. October 01, 2024)

Mr. Dash exemplifies extensive expertise and leadership in banking and financial services. His credentials - MA, LLB and the Certified Associate of the Indian Institute of Bankers (CAIIB) - underpin his deep understanding of credit, risk management and financial governance. He chairs the Nomination & Remuneration Committee and the Stakeholders' Relationship Committee.

DIN: 08175156 ·

Banking & financial sector leader - MA, LLB, CAIIB

Ms. Roma Siddharth Sanghani

Non-Executive Independent Director (w.e.f. October 01, 2024)

A practising Company Secretary, Ms. Sanghani brings specialised expertise in the Companies Act, SEBI regulations, Secretarial Audit and legal advisory functions. Her appointment strengthens the Board's capacity to navigate an increasingly complex regulatory environment and reinforces the Company's commitment to governance best practices.

DIN: 10791529 ·

7+ years in corporate law, SEBI regulations & secretarial audit

Key Managerial Personnel

Designation	Name	Effective From
Managing Director	Mr. Brijmohan D. Chiripa (DIN: 00290426)	June 01, 2017
Whole Time Director	Mr. Ravindrakumar Bajranglal Bajaj (DIN: 08243855)	May 25, 2019
Whole Time Director	Mr. Arvind Pandey (DIN: 10637419)	August 27, 2024
Chief Executive Officer	Mr. Suketu Shah	February 05, 2025
Chief Financial Officer	Mr. Dharmesh Dattani	August, 08, 2022
Company Secretary & Compliance Officer	Mr. Dilipkumar G. Nikhare (Mem No: A45570)	July 11, 2025

Corporate Information

BOARD OF DIRECTORS

Mr. Brijmohan D. Chiripal
Managing Director
(DIN: 00290426)

Mr. Ravindra Bajaj
Whole Time Director
(DIN: 08243855)

Mr. Arvind Pandey
Whole Time Director
(DIN: 10637419)

Mr. Susanta Kumar Panda
Independent Director
(DIN: 07917003)

Mr. Ram Krishna Dash
Independent Director
(DIN: 08175156)

Mrs. Roma Siddharth Sanghani
Independent Director
(DIN: 10791529)

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Ram Krishna Dash
Chairman

Mr. Brijmohan D. Chiripal
Member

Mr. Susanta Kumar Panda
Member

Mrs. Roma Sanghani
Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Susanta Kumar Panda
Chairman

Mr. Ram Krishna Dash
Member

Mrs. Roma Sanghani
Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Ram Krishna Dash
Chairman

Mr. Susanta Kumar Panda
Member

Mrs. Roma Sanghani
Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Brijmohan D. Chiripal
Chairman

Mr. Susanta Kumar Panda
Member

Mr. Ram Krishna Dash
Member

Mrs. Roma Sanghani
Member

Corporate Identity Number (CIN)

L17110GJ1985PLC008206

BANKERS

Bank of Baroda

Bank of Maharashtra

State Bank of India

Bandhan Bank

CHIEF EXECUTIVE OFFICER(CEO)

Mr. Suketu Shah

CHIEF FINANCIAL OFFICER (CFO)

Mr. Dharmesh Dattani

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Dilipkumar Gajanand Nikhare

REGISTERED OFFICE/ CORPORATE OFFICE

Shanti Corporate House,
Near Hira Rupa Hall, Bopal -Ambli Road, Bopal,
Ahmedabad – 380058

Tel: 9099952542, 02717 -466959,
Fax: 091–7925353981

STATUTORY AUDITORS

M/s. S V J K and Associates

Chartered Accountants

INTERNAL AUDITORS

M/s. Ronak Shah & Associates

Chartered Accountants

REGISTRAR AND SHARE TRANSFER AGENT

MUFG Intime India Private Limited

(formerly known as Link Intime India Private Limited)

E-MAIL

cs.vfl@vishalfabrics.co.in

WEBSITE

www.vishalfabricsltd.com

NOTICE

NOTICE is hereby given that the 41st Annual General Meeting of the members of **Vishal Fabrics Limited** (the Company) will be held on 11th August, 2026 at 11:00 A.M IST through Two-Way Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") facility, to transact the following businesses:

ORDINARY BUSINESS:

1. **TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026, TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND THE AUDITORS THEREON.**

   "**RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026 and the reports of the Board of Directors and Auditors' thereon, as circulated to the members be and are hereby considered and adopted."

2. **TO APPOINT A DIRECTOR IN PLACE OF MR. ARVIND PANDEY (DIN: 10637419) A, WHO RETIRES BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT.**

   "**RESOLVED THAT** in accordance with the provisions of Section 152 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013, Mr. Arvind Pandey (DIN: 10637419), who retires by rotation at this meeting and being eligible, offers himself for reappointment, be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS:

3. **RATIFICATION OF REMUNERATION OF COST AUDITOR OF THE COMPANY:**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. A.G. Tulsian and Co., Practicing Cost Accountants (FRN: 100629), who are appointed as the Cost Auditor of the Company by the Board of Directors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027 with remuneration not exceeding of ₹ 50000 and reimbursement of out-of-pocket expenses as approved by the Board of Directors be and is hereby ratified and approved; and

   RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby authorized to take all such steps as may be necessary to give effect to this resolution."

4. **REAPPOINTMENT OF MR. SUSANTA KUMAR PANDA (DIN: 07917003) AS AN INDEPENDENT DIRECTOR**

   To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

   RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the LODR Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee, and that of the Board of Directors, Mr. Susanta Kumar Panda (DIN: 07917003), who holds office as an Independent Director up to May 31, 2026, be and is hereby reappointed as an Independent Director, not liable to retire by rotation, for a second term of 5 (five) years with effect from June 01, 2026 up to May 31, 2031.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other Officer(s) / Authorized Representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By order of the board of directors
Vishal Fabrics Limited

Dilip Nikhare
Company Secretary & Compliance Officer
(M No: A45570)

Date: May 20,2026
Place: Ahmedabad

NOTES:

1. Relevant Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013, Regulations 17 and 36(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force (hereinafter referred to as "the Listing Regulations") and as required under Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI), in respect of Special Business item i.e. item no. 3 to 4 as set out above is annexed hereto.

2. In view of the global outbreak Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA"), vide its General Circular No. 14/ 2020 dated 8th April, 2020, General Circular No. 17/ 2020 dated 13th April, 2020, General Circular No. 20/ 2020 dated 5th May, 2020, General Circular No. 11/2022, dated 28th December, 2022, and subsequent circular issued in this regard, the latest being General Circular No. 09/ 2023 dated 25th September, 2023 (collectively referred to as "MCA Circulars") has permitted the holding of the AGM through Video Conferencing (''VC")/ Other Audio Visual Means ("OAVM") without the physical presence of the shareholders at a common venue upto 30th September 2024. In compliance with the provisions of the Companies Act, 2013, the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with circulars issued by MCA and SEBI, the 41st AGM of the Company is being held through VC/OAVM. The deemed venue for the 41st AGM shall be the Registered Office of the Company.

   Accordingly, in compliance with the aforementioned MCA Circulars and SEBI Circulars, the 41st Annual General Meeting ("AGM") of the Company will be held on 11th August, 2026 at 11:00 A.M (IST) through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) facility to transact the businesses as set out in the Notice of AGM and therefore no physical presence of members is required.

3. Corporate Members are entitled to appoint their authorized representatives pursuant to Sections 112 and 113 of the Companies Act, 2013, as the case may be, to attend the AGM through VC/OAVM or to vote through e-Voting are requested to send a certified copy of the Board resolution to the Scrutinizer by e-mail at projects.csa@gmail.com with a copy marked to cs.vfl@vishalfabrics.co.in

4. This AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. Members of the Company as on the record date i.e. 03rd July, 2026 will receive the Annual Report along with Notice through Email whose Email IDs are registered with the Depository or Company and it's also be available on the Company's website at https://vishalfabricsltd.com annual-reports/ and on the website of Link Intime at https://instavote.linkintime.co.in/

8. Those shareholders who have already registered their e-mail address are requested to keep their e-mail addresses validated with their depository participants / the Company's Registrar and Share Transfer Agent, Mufg Intime India Private Limited to enable servicing of notices / documents / annual Reports electronically to their e-mail address.

9. 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 participate at the AGM.

10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 and the Register of Contracts maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

11. Members are requested to intimate changes, if any, pertaining to their name, postal address, Email address, telephone/ mobile numbers, PAN, mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs.

12. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

13. The information regarding the Director(s) who is / are proposed to be re-appointed, as required to be provided under Listing Regulations and Secretarial Standard on General Meetings issued, is annexed hereto.

14. In compliance to the aforementioned circulars, the Annual Report for the Financial Year 2025-2026 of the Company will be sent through electronic mode only (i.e. Email) to those Shareholders of the Company whose Email Id are registered with the Company or the RTA.

15. The Annual Report along with the Notice of AGM will be available on Company's website on https://vishalfabricsltd.com/annual-reports/

16. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

17. Pursuant to the provisions of Section 91 of the Companies Act, 2013, read with Rule 10 of Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 42 of Listing Regulations, the Register of members and share transfer books of the Company will remain closed from Wednesday, August 05, 2026 to Monday, August 10, 2026 (both days inclusive).

18. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. August 04, 2026 only, shall be entitled to avail the facility of remote e-voting/e-voting and participate in the AGM.

19. The remote e-voting period commences on August 08, 2026, Saturday at 10:00 a.m. and ends on August 10, 2026, Monday at 5.00 p.m. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. August 04, 2026, Tuesday may cast their votes electronically. Voting rights of a member shall be in proportion to his/her share in the paid-up equity share capital of the Company as on the cut-off date, i.e., August 04, 2026.

20. Mr. Chirag Shah, Practicing Company Secretary (Membership Number FCS: 5545 COP: 3498) has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.

    The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-voting and e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

21. The results declared along with the Scrutinizer's Report shall be uploaded on the website of the Company i.e. www.vishalfabricsltd.com and on the website of Link Intime at https://instavote.linkintime.co.in/ and the same shall also be communicated to BSE where the equity shares of the Company are listed.

22. All documents referred to in the accompanying notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and public holiday, during business hours up to the date of the Annual General Meeting.

23. The Companies Act, 2013 provides nomination facility to the members. As a member of the Company, you have an option to nominate any person as your nominee to whom your shares shall vest in the unfortunate event of your death. It is advisable to avail of this facility especially by the members who currently hold shares in their single name. Nomination can avoid the process of acquiring any right in shares through transmission by law. In case of nomination for the shares held by the joint holders, such nomination will be effective only on death of all the holders. The shares which are held in dematerialized form, the nomination form needs to be forwarded to your Depository Participant.

24. The detailed procedure for participation in the meeting through VC/OVAM

EXPLANATORY STATEMENT

EXPLANATORY REGULATION STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Board of Directors on the recommendation of Audit Committee at their meeting held on May 20, 2026 have approved appointment and remuneration of Cost Auditors to conduct audit of cost records of the Company for financial year ending March 31, 2027 at a remuneration of ₹ 50,000/- (Rupees Fifty Thousand Only) in accordance with provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules,2014. Remuneration payable to Cost Auditors has to be ratified and approved by shareholders of the Company. Accordingly, consent of members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification and approval of remuneration payable to Cost Auditors for financial year ending 31st March, 2027.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in resolution set out at Item No. 3 of Notice.

The Board recommends Ordinary Resolution set out at Item No. 3 of Notice for your approval.

Item no. 4 Reappointment of Susanta Kumar Panda (DIN: 07917003) as an Independent Director

Susanta Kumar Panda (DIN: 07917003) ("Susanta") was appointed as an Independent Director of the Company pursuant to Section 149 of the Act, read with the Appointment Rules by the Board, effective June 01, 2021 to hold office up to May 31, 2026. The members, at the Annual General Meeting (AGM) held on December 20, 2021, had approved the same. He is due for retirement from the first term as an Independent Director on May 31, 2026. As per Section 149 of the Act, an Independent Director may hold office for two terms of up to 5 (five) consecutive years each. Susanta fulfills the requirements of an Independent Director as laid down under Section 149(6) of the Act, and Regulation 16(1)(b) of the LODR Regulations. The NRC, after taking into account the performance evaluation of Susanta during his first term of 5 (five) years and considering his knowledge, acumen, expertise, experience and substantial contribution and time commitment, has recommended to the Board his reappointment for a second term of 5 (five) years.

The NRC has considered his experience in Indian Revenue Service (IRS) officer of 1982 Batch of Indian Customs, Excise and Service Tax. Superannuated from Government of India in April 19 and prior to superannuation he held office in Ministry of Finance, and as special secretary to Government of India. In view of the above, the NRC and the Board are of the view that Susanta possesses the requisite skills and capabilities, which would be of immense benefit to the Company, and hence, it is desirable to reappoint him as an Independent Director.

Based on the recommendation of the NRC, the Board, recommended the reappointment of Susanta as an Independent Director, not liable to retire by rotation, for a second term of 5 (five) years effective June 01, 2026 up to May 31, 2031 (both days inclusive). The Company has received all statutory disclosures / declarations, including

(i) Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules,

(ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act,

(iii) Declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act,

(iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, and NSE Circular No. NSE/ CML/2018/24 dated June 20, 2018 that he has not been debarred from holding office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority,

(v) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge duties as an Independent Director of the Company, and

(vi) A notice in writing by a member proposing his candidature under Section 160(1) of the Act.

(vii) Confirmation that he had not been a partner of a firm that had transactions during the last three financial years with Vishal Fabrics Limited or its subsidiaries if any amounting to 10 (ten) percent or more of its gross turnover.

In the opinion of the Board and based on its evaluation, Susanta fulfils the conditions specified in the Act, and Rules made thereunder and LODR Regulations for his reappointment as an Independent Director of the Company and he is independent of the Management of the Company.

The Board considers that the continued association of Susanta would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. The resolution seeks the approval of members for the reappointment of Susanta as an Independent Director of the Company, for a second term of 5 (five) years effective June 01, 2026 up to May 31, 2031, (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and her office shall not be liable to retire by rotation.

The profile and specific areas of expertise and other relevant information as required under the LODR Regulations and SS-2 are provided in additional information section of this Notice.

No director, KMP or their relatives except Susanta, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution as set out in Item no. 4.

The Board recommends the special resolution as set out in Item no. 4 of this notice for the approval of members

ANNEXURE 1

Details of Director seeking Appointment Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings

Name of the Director	Mr. Susanta Kumar Panda
DIN	07917003
Date of Birth / Age	15/04/1959 (62 years)
Date of Appointment	10/03/2021
Expertise in specific functional area	Mr. Susanta Kumar Panda is an Indian Revenue Service (IRS) officer of 1982 Batch of Indian Customs, Excise and Service Tax, Government of India under Department of Revenue, Ministry of Finance. He superannuated from Government of India in April 2019 and prior to superannuation he held office in Ministry of Finance, Department of Revenue as Member of Central Board of Indirect Tax and customer (CBIC) and also as special secretary to Government of India.
Qualification	Mr. Susanta Kumar Panda is a Graduate in Political Science (Hons) from Ravenshaw College affiliated to Utkal University, Odisha, and Post Graduate in Political Science from Hindu College, University of Delhi and a Law Graduate from C.C.S University, Meerut.
Terms & Conditions of appointment & Independent Director (Non-Executive) Remuneration (apart from Sitting fees)	As per the Nomination, Remuneration & Board Diversity Policy of the Company as displayed on the Company's website i.e. www.vishalfabricsltd.com
No. of shares held in the Company	
a. Own	NIL
b. For other persons on a beneficial basis	NIL
Relationship between Directors Inter-se	Mr. Susanta Kumar Panda is not related to any of the Director on the Board.
Name of Listed Companies from which he has resigned in the past three years	Elitecon International Limited (02-04-2026)
Remuneration last drawn	Sitting fees of ₹ 2,50,000/-, was paid/payable for Board Meeting, Audit Committee Meeting and other committee meeting, respectively.
Shareholding in the Company as on 31st March, 2026	Nil
No. of Board Meetings attended during the financial year 2025-26	5 (five)

Name of the Director	Mr. Susanta Kumar Panda
Directorship/Memberships/chairmanships in the Committees held in other listed Companies	**Zee Media Corporation Limited-Independent Director** 1) Audit Committee–Member 2) Nomination & Remuneration committee–Member 3) Risk management committee – Chairperson **Vishal Fabrics Limited - Independent Director** 1) Audit Committee – Member 2) Nomination & Remuneration committee–Chairperson 3) Stakeholders Relationship Committee – Member 4) CSR committee - Member **Shanti Educational Initiatives Limited–Independent Director** 1) Audit Committee – Chairman 2) Nomination & Remuneration committee–Chairperson 3) Stakeholders Relationship Committee – Member 4) Risk Management Committee -Member **Tiger Logistics (India) Limited–Independent Director** 1) Audit Committee – Member **Mangalam Worldwide Limited – Independent Director** **Paytm Payments Services Limited – Independent Director** 1) Audit Committee – Member 2) Nomination & Remuneration committee – Chairperson 3) Risk Management Committee -Chairman 4) Corporate Social Responsibility Committee–Member

By order of the board of directors
Vishal Fabrics Limited

Dilip Nikhare
Company Secretary & Compliance Officer
(M No: A45570)

Date: May 20,2026
Place: Ahmedabad

Classification: Public

Remote E-Voting Instructions

URL: https://instavote.linkintime.co.in/

Version V 1.8

MUFG Intime India Private Limited
A part of MUFG Corporate Markets, a division of MUFG Pension & Market Services
(Formerly Link Intime India Private Limited)

REMOTE EVOTING INSTRUCTIONS:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, 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 correctly in their demat accounts to access remote e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - NSDL IDeAS facility

Shareholders registered for IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on “Beneficial Owner” icon under “IDeAS Login Section”.
b) Click on “Beneficial Owner” icon under “IDeAS Login Section”.
c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on “Access to e-Voting” under e-Voting services.
d) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select “Register Online for IDeAS Portal” or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on “Submit”.
c) Enter the last 4 digits of your bank account / generate ‘OTP’
d) Post successful registration, user will be provided with Login ID and password. Follow steps given above in points (a-d).

Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

METHOD 2 - NSDL e-voting website

a) Visit URL: https://www.evoting.nsdl.com
b) Click on the “Login” tab available under ‘Shareholder/Member’ section.
c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen.
d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 3 - NSDL OTP based login

a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp
b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.
c) Enter the OTP received on your registered email ID/ mobile number and click on login.
d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders registered with CDSL Easi/ Easiest facility

METHOD 1 - CDSL Easi/ Easiest facility:

Shareholders registered for Easi/ Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com & click on New System Myeasi Tab.

b) Enter existing username, Password & click on “Login”.
c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration / https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration
b) Proceed with updating the required fields for registration.
c) Post successful registration, user will be provided username and password. Follow steps given above in points (a-c).

METHOD 2 - CDSL e-voting page

a) Visit URL: https://www.cdslindia.com
b) Go to e-voting tab.
c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on “Submit”.
d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

a) Login to DP website
b) After Successful login, user shall navigate through “e-voting” option.
c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
d) Post successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP to InstaVote

Shareholders registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on **“Login”** under ‘SHARE HOLDER’ tab.
b) Enter details as under:
   1. User ID: Enter User ID
   2. Password: Enter existing Password
   3. Enter Image Verification (CAPTCHA) Code
   4. Click “Submit”.
      (Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions”)

InstaVote USER ID		
	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no. registered with the Company

Shareholders not registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on **“Sign Up”** under ‘SHARE HOLDER’ tab & register with details as under:

InstaVote USER ID		
	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no. registered with the Company

1. User ID: Enter User ID
2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
   - Shareholders holding shares in **NSDL form**, shall provide 'D' above
   - Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
5. Set the password of your choice.
   (The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
6. Enter Image Verification (CAPTCHA) Code.
7. Click "Submit" (You have now registered on InstaVote).
   Post successful registration, click on **"Login"** under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".
B. Select 'View' icon. E-voting page will appear.
C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.
E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

A. Visit URL: https://instavote.linkintime.co.in
B. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"
C. Fill up your entity details and submit the form.
D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

A. Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.
B. Click on "Investor Mapping" tab under the Menu Section
C. Map the Investor with the following details:

   1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
   2) 'Investor's Name - Enter Investor's Name as updated with DP.
   3) 'Investor PAN' - Enter your 10-digit PAN.
   4) 'Power of Attorney' - Attach Board resolution or Power of Attorney.

   NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.

D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report Section".

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.
b) Click on "Votes Entry" tab under the Menu section.
c) Enter the "Event No." for which you want to cast vote.
Event No. can be viewed on the home page of InstaVote under "On-going Events".
d) Enter "16-digit Demat Account No.".
e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'.
f) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.
(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.
b) After successful login, you will see "Notification for e-voting".
c) Select "View" icon for "Company's Name / Event number".
d) E-voting page will appear.
e) Download sample vote file from "Download Sample Vote File" tab.
f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.
g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.
(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk 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 request at evoting@nsdl.co.in 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 request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on **“Login”** under ‘SHARE HOLDER’ tab.
- Click **“forgot password?”**
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: https://instavote.linkintime.co.in

- Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Click **“forgot password?”**
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

InstaVOTE

Team InstaVote
MUFG Intime India Private Limited
Formerly Link Intime India Private Limited

InstaVOTE

Steps for remote e-voting
Individual shareholders holding securities in Demat mode

STEP 1 : LOGIN to e-voting System

NSDL

METHOD 1 : NSDL IDeAS facility

A. Shareholders registered for IDeAS facility

1. Click here to visit website & click on "Beneficial Owner" icon under "IDeAS Login Section".
2. Enter existing User ID, Password, Verification code & click on "Log-in".
3. Post successful authentication, Click on "Access to e-Voting" under e-Voting services section.
4. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website.

B. Shareholders not registered for IDeAS facility

1. Click here to visit website & Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".
2. Enter last 4 digits of your bank account / generate 'OTP'
3. Post successful registration, follow step 1 to 4 from (A above)

METHOD 2 : NSDL e-voting website

1. Click here to visit website & click on "Log-in" tab under 'Shareholder/ Member' section.
2. Enter User ID (16-digit demat Acc. no. held with NSDL), Password/OTP and Verification Code.
3. Post successful authentication you will be re-directed to NSDL IDeAS website. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website.

METHOD 3 : OTP based login

1. Click here to visit website & Enter 8-character DP ID, 8-digit Client ID, PAN, Verification code & click on "Generate OTP".
2. Enter OTP & click on "Log-in"
3. Post successful authentication, follow step 4 from (A above)

Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

Depository Participant

1. Login to DP website
2. After Successful login, navigate through "e-voting" section.
3. Post successful authentication, you will be redirected to NSDL / CDSL Depository website wherein user can see e-voting feature.
4. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website.

CDSL

METHOD 1 : CDSL Easi/Easiest facility

A. Shareholders registered for Easi/Easiest facility

1. Click here to visit website.
2. Enter existing username, Password & click on "Login".
3. Post successful authentication, Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website.

B. Shareholders not registered for Easi/Easiest facility

1. Click here to visit website & Click on registration option "Easi/Easiest".
2. Post successful registration, follow step 1 to 3 from (A above)

METHOD 2 : CDSL e-voting website

1. Click here to visit website & click on "Log-in" tab under 'Shareholder/ Member' section.
2. Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
3. Enter OTP received on registered Mobile No. & e-mail id
4. Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website.

STEP 2 : VOTE through e-voting System - InstaVOTE

1. Post successful authentication and redirection to InstaVote website, you will be able to see the "Notification for e-voting". Select 'View' icon. (E-voting page will appear.)
2. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against'.
3. After selecting the desired option i.e., Favour / Against, click on 'Submit'.
4. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

HELPDESK

ESPs	INSTAVOTE	NSDL	CDSL
☎	022 – 49186000	022 - 4886 7000	1800 22 55 33
✉	enotices@in.mpms.mufg.com	evoting@nsdl.co.in	helpdesk.evoting@cdslindia.com

MUFG Intime India Private Limited
A part of MUFG Corporate Markets, a division of MUFG Pension & Market Services
(Formerly Link Intime India Private Limited)

MUFG

InstaVOTE

Steps for remote e-voting
Non - Individual shareholders & Shareholders holding securities in Physical mode

InstaVote

STEP 1 : SIGNUP / LOGIN to InstaVote

Shareholders not-registered for InstaVote facility

1. Click here to visit website & click on "Signup" tab under 'Shareholder' section.
   A. Enter User ID
   B. Enter PAN. Shareholders who have not updated their PAN with the DP/ Company shall use the sequence number as provided.
   C. DOB/DOI
   D. Bank Account No.(Last 4 digits)

- Shareholders holding shares in NSDL, shall provide 'D' above.
- Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above.

2. Set the password of your choice

The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

3. Enter Image Verification (CAPTCHA) Code & click on "Submit".

You have now registered on InstaVote Post successful registration, follow step 1 to 5 from (B above)

Shareholders registered for InstaVote facility

1. Click here to visit website & click on "Login" tab under 'Shareholder' section.
2. Enter User ID
3. Enter Password
4. Enter Image Verification (CAPTCHA) Code & click on "Submit".
5. Post successful authentication you will be re-directed to InstaVote inbox page.

STEP 2 : VOTE through InstaVote

1. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting". Select 'View' icon. (E-voting page will appear.)
2. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against'.
3. After selecting the desired option i.e., Favour / Against, click on 'Submit'.
4. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
5. The message "Vote cast successfully" will be displayed and Email /SMS confirmation will be received on your registered email id and mobile no.

InstaVote USER ID

NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
CDSL	User ID is 16 Digit Beneficiary ID.
Shares held in physical form	User ID is Event No + Folio no. registered with the Company

General Instructions - Shareholders

1. Do not share your password with with any other person & keep it confidential.
2. For members holding shares in physical form, the evoting details can be used only for a particular "Event".
3. Members can login any number of time on InstaVote till they have voted on the resolution(s) for a particular "Event".

InstaVOTE HELPDESK

☎	022 – 49186000
✉	enotices@in.mpms.mufg.com

MUFG

MUFG Intime India Private Limited
A part of MUFG Corporate Markets, a division of MUFG Pension & Market Services
(Formerly Link Intime India Private Limited)

Classification: Public

InstaMeet VC Instructions

URL: https://instameet.in.mpms.mufg.com
Version V 1.6

MUFG Intime India Private Limited
A part of MUFG Corporate Markets, a division of MUFG Pension & Market Services
(Formerly Link Intime India Private Limited)

INSTAMEET VC INSTRUCTIONS:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 09/2024 dated 19.09.2024, the Companies can conduct their AGMs/ EGMs on or before 30 September 2026 by means of Video Conference (VC) or other audio-visual means (OAVM).

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

a) Visit URL: https://instameet.in.mpms.mufg.com & click on **"Login"**.

b) Select the "Company Name" and register with your following details:

c) Select Check Box - **Demat Account No**. / **Folio No.** / **PAN**

- Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
- Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
- Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.
- Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
- Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.

d) Click "Go to Meeting"
You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

a) Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on cs.vfl@vishalfabrics.co.in.
b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

**Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.*

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

a) On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET

c) Click on 'Submit'.
d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:
Shareholders/ Members, who will be present in the General Meeting through InstaMeet 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 facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

InStaMeet

Team InstaMeet
MUFG Intime India Private Limited
Formerly Link Intime India Private Limited

DIRECTORS' REPORT

To,
The Members,
Vishal Fabrics Limited

Your directors are pleased to present the 41st Annual Report along with Audited Financial Statements for the Financial Year ended 31st March, 2026.

1. FINANCIAL RESULTS

The Audited Financial Statements of your Company as on 31st March, 2026 are prepared in accordance with the relevant applicable Ind AS and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

The summarized comparison of Audited Financial Statements of the Company for the Financial Year 2025-2026 and 2024-25 is given below:

(₹ in Crores)

PARTICULARS	2025-26	2024-25
Net Revenue from Operations	1,602.11	1,519.83
Other Income	1.15	1.60
Total Revenue	**1,603.26**	**1521.43**
Less: Expenses excluding Depreciation	1,528.47	1,443.33
Profit before Depreciation & Tax	**74.79**	**78.10**
Less: Depreciation	31.63	33.20
Profit Before Tax	**43.16**	**44.90**
Less: Provision for Taxation (Including Deferred Tax)	10.98	21.07
Profit After Tax	**32.18**	**23.84**
Earnings Per Share (in ₹)	1.37	1.21

2. STATE OF COMPANY'S AFFAIRS AND PERFORMANCE OF THE COMPANY DURING THE YEAR.

During the year under review, your Company has achieved a Turnover of ₹ 1602.11 Crore as compared to Previous Year ₹ 1519.83 Crore. The Profit before depreciation and tax was ₹ 74.79 Crore as compared to ₹ 78.10 Crore in the Previous Year. The profit after tax for the year ₹ 32.18 Crore as compared to Profit ₹ 23.84 Crore reported in the Previous Year.

The Performance of the Company has been comprehensively discussed in the Management Discussion and Analysis Report (forming part of the Annual Report) based on the reports of the each of the units of Company.

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

There were no other material changes or commitments which affected the financial position of the Company which have occurred between the end of the Financial Year and the date of this Report.

4. DIVIDEND

The Board of Director has not recommended any dividend during the year.

In pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Dividend Distribution Policy which was approved and adopted in the Board Meeting and the same is available on company's web link as: www.vishalfabricsltd.com.

There is ₹ 216769 unpaid balance available in the unpaid dividend account as the same is unclaimed dividends by shareholders.

5. TRANSFER TO RESERVES

During the financial year under review, the company has transferred the entire amount of Profit to Reserve and surplus account as per detail provided in the note of the financial statement.

6. SHARE CAPITAL

The paid-up equity shares capital of the Company as on 31st March, 2026 was ₹ 1238050015 comprising of 247610003 Equity Shares of face value of ₹ 5/- each.

During the year under review, the company has allotted to the "Non-Promoter, Public Category" Investors on preferential basis 50000000 equity shares due to conversion of warrant into equity as per approval taken in the Annual General Meeting held on 27th August, 2024 by shareholders.

None of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

7. INFORMATION OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company has no subsidiaries and joint ventures.

A list of associates of your Company is provided as part of the notes to the consolidated financial statements.

8. CHANGE IN NATURE OF BUSINESS, IF ANY

There is no change in the nature of your Company's business during the year under review.

9. ALTERATION IN THE CONSTITUTIONAL DOCUMENT

There is no alteration in the constitutional document of the company.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note to the financial statements.

11. EXTRACT OF ANNUAL RETURN

{In pursuance to Section 92 and 134 (3) (a) of the Companies Act, 2013 ("the Act") read with relevant Rules thereunder}

The Annual Return of the Company for the Financial Year 2025-2026 in the prescribed format in Form MGT-7 is available on the website of the Company at: www.vishalfabricsltd.com

12. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there are no material related party transactions thus a disclosure in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is not required. The details of the transactions with Related Parties are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. A statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration and sitting fees. The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company and can be seen at the link: www.vishalfabricsltd.com

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Composition of the Board is in accordance with the statutory provision. The Board consists of 6(six) members, of which 3 (Three) are Independent Directors. The Board also comprises of one women Independent Director.

The Company has received declarations from all the Independent Directors that they meet the criteria of independence as prescribed in the Companies Act, 2013 and SEBI Listing Regulations, 2015.

None of the Directors of the Company is disqualified for being appointed as Director, as specified under section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The following are the Directors and Key Managerial Personnel of the Company as on 31st March, 2026

a) Mr. Brijmohan Chiripal: Managing Director
b) Mr. Arvind Pandey: Whole-time Director
c) Mr. Suketu Narendrabhai Shah: Chief Executive Officer
d) Mr. Ravindrakumar Bajranglal Bajaj : Whole-time Director
e) Mr. Dharmesh Dattani: Chief Financial Officer
f) Mr. Dilip Nikhare : Company Secretary (Appointed w.e.f 11/07/25)

DIRECTORS RETIRING BY ROTATION

Mr. Arvind Pandey (DIN: 10637419), Director of the Company, retires by rotation as a Director at the conclusion of this Annual General Meeting pursuant to the provisions of section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company and being eligible have offered himself for reappointment. Appropriate resolution for his re-appointment is being placed for your approval at the ensuing AGM.

The composition of the Board of Directors and its Committees are provided in the Corporate Governance Report, which forms part of the Annual Report. Certificate of Non-Disqualification of Directors has been attached as **Annexure I**.

14. NUMBER OF BOARD AND COMMITTEE MEETINGS

The Board meets once in every quarter to review the quarterly financial results and other items of the agenda and if necessary, additional meetings are held as and when required. The intervening gap between the meetings was within the period prescribed under SEBI (LODR) Regulations, 2015 & Companies Act, 2013. The agenda is circulated well in advance to the Board members. The items in the agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. The details of the Board and its Committees meetings and attendance of Directors at such meetings are provided in the Corporate Governance Report, which forms part of the Annual Report.

15. MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on 10th February, 2026 inter alia, to discuss:

- ✓ Review of the performance of Non-independent Directors and the Board of Directors as a whole.
- ✓ Review of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-executive Directors.
- ✓ Assess the quality, content and timeliness of flow of information between the management and the Board to ensure the Board effectively and reasonably perform its duties.

All Independent Directors were present at the meeting.

16. DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received necessary declarations from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they have complied with the Code for Independent Directors as prescribed in Schedule IV to the Act.

17. CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS

An Independent Director shall be a person of integrity and possess appropriate balance of skills, experience and knowledge as details provided in the Corporate Governance Report. The Company did not have any pecuniary relationship or transactions with Non-Executive Directors during the year ended 31st March, 2026 except for payment of sitting fees.

18. CRITERIA FOR APPOINTMENT OF MANAGING DIRECTORS / WHOLE–TIME DIRECTORS

The appointment is made pursuant an established procedure which includes assessment of managerial skills, professional behavior, technical skills and other requirements as may be required and shall take into consideration recommendation, if any, received from any member of the Board.

In compliance with Section 178(3) of the Companies Act, 2013 and Regulation 19(4) of the SEBI (LODR) Regulation, 2015 the company has formulated Nomination and Remuneration Policy for determining qualifications, positive attributes and independence of directors and other matters related to appointment of Directors.

The Nomination and Remuneration Policy as approved by the Board of Directors has been uploaded on the website of the Company and can be seen at the link: www.vishalfabricsltd.com

19. FAMILIARIZATION PROGRAM FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The code has been uploaded on the website of the Company and can be seen at the link: www.vishalfabricsltd.com

20. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company has a Policy on Corporate Social Responsibility and the same has been posted on the website of the Company at link: www.vishalfabricsltd.com

The brief outline of the CSR Policy of the Company and the activities undertaken by the Company on CSR during the year under review and relevant details are set out in **Annexure III** which forms part of this Board Report.

Further, the composition, number and date of meetings held, attendance of the members of the CSR Committee meetings are given separately in the Corporate Governance report which forms part of this Annual Report.

21. FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of individual directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through a structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings, etc. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Director. The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Directors expressed their satisfaction with the evaluation process.

22. AUDITORS AND AUDITORS' REPORT

A. STATUTORY AUDITORS

Pursuant to provisions of Sections 139, 141 & 142 of the Act and applicable Rules and other applicable provisions of the Act, the Board of Directors at its meeting held on August 1, 2024 has approved the appointment of M/s. S V J K and Associates*, (FRN- 135182W),Chartered Accountants as Statutory Auditors for five consecutive years from conclusion of the 38th Annual General Meeting held for Financial Year 2022-2023 till the conclusion of the 43rd Annual General Meeting to be held on 2027-28 of the Company.

Further the Company has received written consent(s) and certificate(s) of eligibility from the Statutory Auditors–S V J K and Associates, (FRN-135182W), Chartered Accountant in accordance with Sections 139 and 141 of the Act and applicable Rules and other provisions of the Act and holds a valid certificate issued by the Peer Review Board of the ICAI. They have further confirmed that they were not disqualified to be appointed as the Statutory Auditors in terms of the Act and Rules made thereunder.

* S V J K and Associates (Formerly known as A S R V & Co.)

B. SECRETARIAL AUDITORS

Pursuant to Section 204 of the Companies Act, 2013 and rules made thereunder. Vishal Fabrics is annexed herewith as **Annexure-II**. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks. The Annual Secretarial Compliance Report of the Company pursuant to Regulation 24A of Listing Regulations read with SEBI Circular No. CIR/ CFD/ CMD1/27/2019 dated February 08, 2019, is uploaded on the website of the Company i.e. www.vishalfabricsltd.com

Pursuant to Regulations 30 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with Schedule III Part A Para A, we would like to inform that on the recommendation of the Audit Committee, the Board of Directors in their meeting held on, 21st May, 2025 approved the appointment of M/s. Chirag Shah & Associates (CoP: 3498), Practicing Company Secretary, Ahmedabad as the Secretarial Auditor of the Company for five consecutive years commencing from F.Y. 2025-26 till F.Y. 2029-30 and approval of the shareholders of the Company has taken in 40th Annual General Meeting held on 19th September, 2025.

C. COST AUDITORS

The Board has re-appointed M/s. A.G. Tulsian and Co., Cost Accountants (FRN: 100629) as Cost Auditor to conduct the audit of cost records of your Company for the financial year 2026-27. The payment of remuneration to Cost Auditor requires the approval/ratification of the members of the Company and necessary resolution in this regard, has been included in the notice convening 41st AGM of the Company.

The Company maintains necessary cost records as specified by Central Government under sub-section 1 of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

D. INTERNAL AUDITORS

The Board has appointed M/s. G B & Co., Chartered Accountants (FRN: 139110W), Ahmedabad as Internal Auditors of the Company for the Financial Year 2026-2027. The required consent to act as the Internal Auditors of the Company for the Financial Year 2026-2027 has been received by the Company from the said Internal Auditors, on terms & conditions as mutually agreed upon between the Internal Auditors and the Board / management of the Company.

23. CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. The Board Members and the Senior Management personnel have affirmed compliance with the code for the year 2025-26. The said Code of Conduct has been posted on the website of the Company at link: www.vishalfabricsltd.com

A declaration to this effect is annexed and forms part of this report.

24. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms an integral part of this Report.

25. CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

26. PREVENTION OF INSIDER TRADING

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulation, 2015 the Board has formulated and implemented a Code of Conduct to regulate, monitor and report trading by its employees and other connected persons and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information.

The updated "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" ("Code of Fair Disclosure") uploaded on the Company's website at link: www.vishalfabricsltd.com

27. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has framed a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The said policy has been disseminated within the organization and has also been uploaded on the Company's website at link:www.vishalfabricsltd.com

28. NOMINATION, REMUNERATION AND BOARD DIVERSITY POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel and Senior Management.

The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment and removal of Directors Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors.

The Nomination and Remuneration Policy as approved by the Board of Directors has been uploaded on the website of the Company and can be seen at the link: www.vishalfabricsltd.com

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

The Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has adopted a policy against Sexual Harassment in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The policy has also been uploaded on the Company's website at link: www.vishalfabricsltd.com

An appropriate complaint mechanism in the form of "Internal Complaints Committee" has been created in the Company for time-bound redressal of the complaint made by the victim. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has not received any complaints of sexual harassment in the Financial Year 2025-26.

30. PUBLIC DEPOSITS

The Company has not accepted any Deposits from the public during the Financial Year 2025-26.

31. RISK MANAGEMENT

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision-making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

The Company has laid down a Risk Management Policy which defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. The policy has also been uploaded on the Company's website at link: www.vishalfabricsltd.com

32. INTERNAL CONTROL SYSTEM

The Company has adequate internal control systems for business processes, with regard to efficiency of operations, financial reporting, compliance with applicable laws and regulations etc. All operating parameters are monitored and controlled. Regular internal audits and checks ensure that responsibilities are executed effectively. The system is improved and modified continuously to meet with changes in business conditions, statutory and accounting requirements.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them, from time to time.

33. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

(i) that in the preparation of the accounts for the Financial Year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2026 and of the profit of the company for the year under review;

(iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that the Directors have prepared the accounts for the financial year on going concern basis;

(v) the Directors have laid down internal financial controls, which are adequate and were operating effectively; and

(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.

34. PROCEEDINGS PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

The Company has not made any application nor any proceeding are pending under the Insolvency and Bankruptcy Code, 2016 during the Financial Year 2025-26. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

35. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, required to be disclosed by Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as "**Annexure- IV**" and forms part of this report.

36. TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Section 124 and 125 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended from time to time, the amount of dividend remaining unpaid or unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund (IEPF).

During the year under review, no amount was due for transfer to IEPF in accordance with Section 125 of the Companies Act, 2013.

37. PARTICULARS OF EMPLOYEES

The percentage increase in remuneration, ratio of remuneration of each Director and key managerial personnel (KMP) (as required under the Act) to the median of employees' remuneration, as required under Section 197 of the Act, read with rule 5(1) of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014, are set out in ''**Annexure V**'' of this report.

The information required under provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. In terms of Section 134 and Section 136 of the Act, the Annual Report is being sent to the shareholders and others entitled thereto, excluding the said annexure, which is available for inspection by the shareholders at the Registered Office of your Company during business hours on working days of your Company. If any shareholder is interested in obtaining a copy thereof, such shareholder may write to the Company Secretary in this regard.

38. BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report as stipulated under Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable for financial year 2025-26 as your Company is not falling in the list of top 1000 Companies as per the Market Capitalization as on March 31, 2026.

39. ENVIRONMENT, HEALTH AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

40. COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, your Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

41. REPORTING OF FRAUDS

There was no instance of fraud during the Financial Year 2025-26, which were required by the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

42. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

43. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THERE OF DURING THE FINANCIAL YEAR

It is not applicable to the Company, during the financial year.

43. STATEMENT INDICATING DEVIATION IN THE USE OF PROCEEDS FROM THE STATED OBJECTS AND CATEGORY-WISE VARIATION BETWEEN PROJECTED AND ACTUAL FUND UTILISATION.

There is no Deviation in the use of Proceeds of Preferential Allotment during the year.

44. INSURANCE

All assets of the company including inventories, building, plant and machineries are adequately insured.

45. LISTING OF SHARES

The Company's shares are listed at BSE Limited and the listing fee for the year 2025-2026 has been duly paid.

46. CAUTIONARY STATEMENT

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

47. APPRECIATION AND ACKNOWLEDGEMENT

Your Directors wish to place on record sincere gratitude and appreciation, for the contribution made by the employees at all levels for their hard work, support, dedication towards the Company.

Your Directors thank the Government of India and the State Governments for their co-operation and appreciate the relaxations provided by various Regulatory bodies to facilitate ease in compliance with provisions of law.

Your Directors also wish to thank its customers, business associates, suppliers, investors and bankers for their continued support and faith reposed in the Company.

Date: 20-05-2026
Place: Ahmedabad

Brijmohan D. Chiripal
Managing Director
DIN: 00290426

Ravindra Bajaj
Whole-time Director
DIN: 08243855

VISHAL FABRICS LTD

Annexure I

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)

To,
The Members of
Vishal Fabrics Limited
Shanti Corporate House, Nr. Hira Rupa Hall,
Bopal-Ambli Road, Bopal,
Ahmedabad, Sanand, Gujarat, India, 380058.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Vishal Fabrics Limited having CIN L17110GJ1985PLC008206 and having registered office at Shanti Corporate House, Nr. Hira Rupa Hall, Bopal-Ambli Road, Bopal, Ahmedabad, Sanand, Gujarat, India, 380058 (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 our 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 on March 31, 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.

1.	Mr. Brijmohan Devkinandan Chiripal	00290426	01-06-2017
2.	Mr. Ravindrakumar Bajranglal Bajaj	08243855	25-05-2019
3.	Mrs. Roma Siddharth Sanghani	10791529	01-10-2024
4.	Mr. Ram Krishna dash	08175156	01-10-2024
5.	Mr. Susanta Kumar Panda	07917003	01-06-2021
6.	Mr. Arvind Pandey	10637419	29-05-2024

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.

For, **Chirag Shah and Associates**

Chirag Shah
Membership No.: 5545
CP No.: 3498
UDIN : F005545H000413667
Peer Review Cer. No. 6543/2025

Date: 20-05-2026
Place: Ahmedabad

Annexure II

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2026
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
Vishal Fabrics Limited
Shanti Corporate House, Nr. Hira Rupa Hall,
Bopal-Ambli Road, Bopal,
Ahmedabad, Sanand, Gujarat, India, 380058.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Vishal Fabrics Limited (CIN: L17110GJ1985PLC008206)** (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 by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 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 herein after. The physical Inspection or Verification of documents and records were taken to the extent possible.

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

(i). The Companies Act, 2013 ('the Act') and the rules made there under;

(ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv). Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

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

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

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

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

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

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

i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;

Further being a Textile Industry and involved in specific products, there are no specific applicable laws to the Company, which requires approvals or compliances under any Act or Regulations.

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

   a. Secretarial Standards issued by the Institute of Company Secretaries of India;

   b. The Listing Agreements entered into by the Company with Stock Exchange(s): -

   During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. In Certain cases, the shorter notice was given for meetings and the consent of all directors were taken for the same.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period, the Company has not passed any special resolutions.

For, Chirag Shah and Associates

Chirag Shah
Partner
FCS No. 5545
C P No.: 3498
UDIN: F005545H000413645
Peer Review Cert. No. 6543/2025

Place: Ahmedabad
Date: 20-05-2026

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

'Annexure A'

To,

The Members,
Vishal Fabrics Limited
Shanti Corporate House, Nr. Hira Rupa Hall,
Bopal-Ambli Road, Bopal,
Ahmedabad, Sanand, Gujarat, India, 380058.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

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

Auditor's Responsibility

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

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

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

Disclaimer

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

For, Chirag Shah and Associates

Chirag Shah
Partner
FCS No. 5545
C P No.: 3498
UDIN: F005545H000413645
Peer Review Cert. No. 6543/2025

Place: Ahmedabad
Date: 20-05-2026

Annexure-III

Corporate Social Responsibility (CSR)

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FINANCIAL YEAR 2025-26.

1. Brief outline on CSR Policy of the Company:

The Company's CSR Policy has been prepared in accordance with Section 135 of the Companies Act, 2013 (referred to as the Act in this policy) on CSR and in accordance with the CSR Rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India, in 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) as amended from time to time. Our CSR initiatives focus on promoting education, healthcare activities, eradicating hunger, conducting research activities. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy.

2. Vishal Fabrics Limited aims to achieve its CSR objectives through:

The Company aims at making a positive impact on society through educational development directly through its registered trust or foundation namely, Chiripal Charitable Trust, Happiness Reserve Foundation and Milestone for the below mentioned objectives:

- To Train and promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
- To undertake, conduct, organize, support, provide and work towards educational, cultural, environment, research and development activities and to act as a forum for exchange of information, ideas and experience for related issues through various mediums for this task of social, economic and educational up liftment of the poor and backward classes, Child education, direction/ counseling to youth for right career, women and youth empowerment, health campaigns and awareness, clean & green India projects through awareness, projects for orphans , projects for addiction free youth through awareness.
- Developing infrastructure of schools by upgrading school buildings, providing classroom setup like benches, desks and boards, among others and helping in setting up of libraries and science laboratories and other related activities;
- Promoting education by providing educational resources for students as computer & study material, student books & periodicals, teaching aids, computer hardware & software for smart classes, workshops on self-defense and enhancing soft skills;
- Promoting Sports
- Socializing the importance of education for children and community leaders;
- Granting scholarship for higher education, etc.

3. The Composition of the CSR Committee:

During the year FY 2025-26, two CSR committee Meeting held dated on 8th August 2025 and 13th November 2025. The CSR committee of the Board is responsible for overseeing the execution of the Company's CSR policy. The composition of CSR Committee as on the date of Directors' Report is as follows:

S. no	Name of Members	Designation	Number of Meeting of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Mr. Brijmohan D. Chiripal	Chairperson	2	2
2.	Mr. Susanta Kumar Panda	Member	2	2
3.	Mr. Ram Krishna Dash	Member	2	2
4.	Mrs. Roma Sanghani	Member	2	1

4. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:** www.vishalfabricsltd.com

5. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable

6. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** Nil

7. **Average net profit of the company as per section 135(5):**

(₹ In Crores)

Particulars	2022-23	2023-24	2024-25
Net Profit	69.28 Crores	33.57 Crore	46.23

Average net profit of the Company for last three financial year is at ₹ 49.69 Crores

8. (a) **Two percent of average net profit of the company as per section 135(5):** ₹ 0.99 Crores
   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil
   (c) **Amount required to be set off for the financial year, if any:** Nil
   (d) **Total CSR obligation for the financial year (8a+8b-8c):** ₹ 0.99 Crores

9. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of transfer
0.99 Crores	N.A.	N.A.	N.A.	N.A.	N.A.

(b) **Details of CSR amount spent against ongoing projects for the financial year:** NIL

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

Sr. No	Name of the Project/	Item from the list of activities in Schedule VII to the Companies Act, 2013	Local Area (Yes/ No)	Location of the project		Amount Spent for the Project (In ₹ Crores)	Mode of implementation – Direct (yes/no)	Mode of Implementation– Through implementing agency	
				State	District			Name	CSR Registration No,
1.	promoting education and promote sports (more specifically described in point no. (ii) and (vii) of this annexure VII)	Item No. (ii) and ((vii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. And training to promote rural sports	Yes	Gujarat	Ahmedabad	0.91	No	Happiness Reserve Foundation	CSR00015212
						0.02	No	Chiripal Charitable Trust	CSR00016151
						0.068	No	Milestone Educom Trust	CSR00016150
		TOTAL				0.99			

(d) **Amount spent in Administrative Overheads:** NIL

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

(f) **Total amount spent for the Financial Year (9b+9c+9d+9e):** ₹ 0.99 Crores

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

Sr. No.	Particulars	Amount (In ₹ Crores)
i	Two percent of average net profit of the company as per section 135(5)	0.99
ii	Total amount spent for the Financial Year	0.99
iii	Excess amount spent for the financial year [(ii)-(i)]	0
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

10. (a) **Details of Unspent CSR amount for the preceding three financial years:** Not Applicable

    (b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** None

11. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** Not Applicable

12. **Specify the reason(s), if the company has failed to spend 2% of the average net profit as per Section 135(5):** Not Applicable

Brijmohan D. Chiripal
Managing Director and Chairman of CSR Committee
DIN: 00290426

Date: 20/05/ 2026
Place: Ahmedabad

Annexure-IV

Details of Conservation of energy, technology absorption, foreign exchange earnings and outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

i. **the steps taken or impact on conservation of energy**

- The company has installed energy-efficient machinery and equipment across our manufacturing units to reduce power consumption and enhance operational efficiency.
- Conducting regular preventive maintenance of production machinery, motors, compressors, and utilities to minimise energy losses and ensure optimum performance.

ii. **the steps taken by the unit for utilizing alternate sources of energy**

- The company Utilizing LED lighting systems and automated lighting controls in production and administrative areas to lower electricity consumption.
- The company has started to use liquid indigo color instead of powder for the betterment of fabrics quality and also cost effective.
- Regular monitoring and optimizing energy usage through periodic energy audits and process improvements, enabling the identification and implementation of energy-saving opportunities.

iii. **the capital investment on energy conservation equipment:** Nil

B. TECHNOLOGY ABSORPTION:

i. **the efforts made towards technology absorption**

- Efforts were made to adopt new technology by installing new improved/developed machines
- We bought hydro jet cleaning machine for regularly cleaning of compressors and mee tubes
- We have increased the quality of finished goods by commencing the stenter machine (fabric hitsets) at plant.
- As the company has installed 0.999 MW Solar Rooftop plant at the Dholi unit due to which the electricity bill is reducing constantly.

ii. **the benefits derived as a result of above efforts**

- Quality of fabric processed improved by adoption of new machines.
- Cost Efficient Use
- Data Analysis and Reporting
- Risk analysis and prepare performance reports

iii. **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** Not Applicable

iv. **the expenditure incurred on Research and Development:**

v. The Company has not incurred any specific expenditures on Research & Development during the Financial Year 2025-2026.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO DURING THE FINANCIAL YEAR 01/04/2025 TO 31/03/2026:

EXPORT DETAILS

PARTICULARS	AMOUNT	CURRENCY
TOTAL EXPORT MADE	2,38,613.6	USD

IMPORT DETAILS

PARTICULARS	AMOUNT	CURRENCY
TOTAL IMPORT MADE	84,952	USD
TOTAL IMPORT MADE	19,394	EURO

Annexure-V

[Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i. Ratio of the remuneration of each director to the median remuneration of the Employees of the Company for the financial year 2025-26

Sr. No.	Name	Category	Ratio
1.	Mr. Brijmohan Chiripal	Managing Director	Nil
2.	Mr. Ravindra Bajaj	Whole time Director	10.33: 1
3.	Mr. Arvind Pandey	Whole Time Director	5.85: 1

Note: For this purpose, sitting fees paid to the Directors have not been considered as remuneration.

ii. The percentage of increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the F.Y 2025-26:

Sr. No.	Name	Category	%
1	Mr. Brijmohan Chiripal	Managing Director	Nil
2.	Mr. Arvind Pandey	Whole time Director	Nil
3.	Mr. Ravindra Bajaj	Whole time Director	Nil
4.	Mr. Suketu Shah	Chief Executive Officer	Nil
5.	Mr. Dharmesh Dattani	Chief Financial Officer	33.33
6.	Mr. Dilipkumar Nikhare	Company Secretary	Nil

The median remuneration of the employees of the Company as on 31st March, 2026 was Rs 300000 per year.

iii. During FY 2026, the percentage increased in the median remuneration of employees of the Company as compared to previous year was 0%.

iv. **No. of permanent employees on the rolls of the Company:** 440

v. **Average percentage increase already made in the salaries of employees other than the managerial remuneration in comparison with the last financial year:** 6%

vi. **Affirmation that the remuneration is as per the remuneration policy of the company:** Yes

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2026, in terms of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

The Vishal Fabrics Limited ("the Company") believe to follow the best corporate governance practices to develop best policies, integrity, transparency, fairness, accountability, compliance with all applicable law and train all its employees in order to foster a culture of compliance and obligation at every level of the organization.

A Report of Corporate Governance is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the report contains the details of Corporate Governance systems and processes at Vishal Fabrics Limited.

2. BOARD OF DIRECTORS:

a. Composition of Board:

The Company has an active and a balanced Board, with an optimum combination of Executive and Non-Executive Directors with at least half of the Board of the Company comprising Non – Executive Directors. As on March 31, 2026, the Board consists of 6 (Six) Directors out of which 1 (One) is Managing Director and 2 (Two) are Whole time Directors. Further, 3 (Three) are Non-Executive Independent Directors which includes 1 (One) Woman Independent Director. The Composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013.

The Board of Company comprised of Six (6) Directors including One (1) Woman Director with at least 50% (Fifty percent) of it as Non – Executive Directors as on March 31, 2026, details of which are as follows: -

Sr. No.	Name of Director & DIN	Category of Directors
1.	Mr. Brijmohan D. Chiripal, DIN: 00290426	Managing Director, Executive; Non-Independent
2.	Mr. Ravindra Bajaj, DIN: 08243855	Whole Time Director, Executive; Non- Independent
3.	Mr. Arvind Pandey, DIN: 10637419	Whole Time Director, Executive; Non- Independent
4.	Mr. Susanta Kumar Panda, DIN: 07917003	Non-Executive Independent Director
5.	Mr. Ram Krishna Dash, DIN: 08175156	Non-Executive Independent Director
6.	Mrs. Roma Sanghani, DIN: 10791529	Non-Executive, Woman Independent Director

In terms of Regulation 17(A) of the Listing Regulations, none of the Directors of the Company serves as an Independent Director in more than 7 (Seven) listed entities. Moreover, none of the Directors on the Company's Board is a member of more than 10 (Ten) Committees or act as Chairman of more than 5 (Five) Committees (Committees being Audit Committee and Stakeholders Relationship Committee) across all the Companies in which he or she is a director pursuant to the Regulation 26 of Listing Regulations. Necessary disclosures have been made by each Director.

b. Attendance of each director at the meeting of board of directors and the last AGM:

The Attendance of Directors at the Board Meetings and at the last Annual General Meeting was as under:

Sr. No	Name of Directors	Number of Board Meetings held during the tenure of Directorship	Number of Board Meetings attended	Whether present at the previous AGM (Yes / No)
1.	Mr. Brijmohan D. Chiripal	5	5	Yes
2.	Mr. Ravindra Bajaj	5	5	Yes
3.	Mr. Arvind Pandey	5	4	Yes
4.	Mr. Susanta Kumar Panda	5	5	Yes
5.	Mr. Ram Krishna Das	5	5	No
6.	Mrs. Roma Sanghani	5	4	No

c. **The details of each member of the Board along with the number of Directorship(s)/Committee Membership(s)/ Chairmanship(s) as at 31st March, 2026 are as given below:**

Name of the Directors and DIN	Category	Number of Directorships in listed entities including this listed entity **	Number of Independent Directorships in listed entities including this listed entity**	Number of membership in Audit/ Stakeholders/ Committee including this listed entity***	Number of post of Chairperson in Audit/ Stakeholder/ Committee including this listed entity ***
Mr. Brijmohan D. Chiripal DIN: 00290426	Managing Director, Executive; Non-Independent	1	0	2	1
Mr. Ravindra Bajaj DIN: 08243855	Whole Time Director, Executive; Non- Independent	1	0	0	0
Mr. Arvind Pandey DIN: 10637419	Whole Time Director, Executive; Non- Independent	1	0	0	0
Mr. Susanta Kumar Panda DIN: 07917003	Non-Executive Independent Director	6	6	8	1
Mr. Ram Krishna Dash DIN: 08175156	Non-Executive Independent Director	1	1	2	2
Mrs. Roma Sanghani DIN: 10791529	Non-Executive, Woman Independent Director,	1	1	2	0

**In compliance with Regulation 17A of SEBI (LODR) Regulations, 2015.

*** In compliance with Regulation 26(1) of SEBI (LODR) Regulations, 2015 & the membership is inclusive of number of post of chairperson and Excludes Private Limited Companies, Foreign Companies, Section 8 Companies.

d) **the names of other listed entities where Directors of the Company are Directors along with the category of Directorship as at 31st March, 2026 are appended separately below:**

Sr. No.	Name of Director	Name of listed entities in which the concerned Director is a Director	Category of Directorship in the listed companies
1.	Mr. Brijmohan D. Chiripal DIN: 00290426	Vishal Fabrics Limited	Executive and Non Independent Director
	Mr. Ravindra Bajaj DIN: 08243855	Vishal Fabrics Limited	Executive and Non Independent Director
	Mr. Arvind Pandey DIN: 10637419	Vishal Fabrics Limited	Executive and Non Independent Director
	Mr. Susanta Kumar Panda DIN:07917003	Shanti Educational Initiatives Limited Zee Media Corporation Limited Tiger Logistics (India) Limited Paytm Payments Services Limited Mangalam Worldwide Limited Vishal Fabrics Limited	Non-Executive Independent Director
	Mr. Ram Krishna Dash DIN: 08175156	Vishal Fabrics Limited	Non-Executive Independent Director
	Mrs. Roma Sanghani DIN: 10791529	Vishal Fabrics Limited	Non-Executive Independent Director

d. **Number of meetings of board of directors held and the dates on which it is held**

During the year, the Board of Directors met 5 times on 21st May, 2025, 11th July, 2025, 8th August, 2025, 13th November, 2025 and 10th February, 2026. The gap between two Board Meetings was within the maximum time gap prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

e. **Disclosure of relationships between the Directors inter-se:**

There is no relationship between the Directors inter-se.

f. **Details pertaining to the Non-Executive Directors' Shareholding, Convertible Instruments and Compensation and disclosures:**

Apart from sitting fees for attending Board & Committee meetings, no other fees or commission is paid to the Non-Executive Independent Directors during the financial year. As on March 31, 2026 holding of Non-Executive Directors in Equity Shares and convertible instruments are Nil in the Company.

g. **Familiarization Program for Directors:**

On appointment of an individual as Director, the company explained the role, function, duties and responsibilities and in addition to that the company also conducts Familiarization Program at least once in the year. The details of the familiarization program for Independent Directors are available on the Company's website at https://vishalfabricsltd.com/.

h. **Key Board Qualifications, Expertise and Attributes:**

While all the Board members possess the skills identified, their area of core expertise is given below as on March 31, 2026:

Skills and its description	Mr. Brijmohan Chiripal	Mr. Ravindra Bajaj	Mr. Arvind Pandey	Mr. Susanta Kumar Panda	Mr. Ram Krishna Dash	Mrs. Roma Sanghani
Leadership/Operational Experience Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, driving change and long-term growth.	√	√	√	√	√	√
Accounting and Financial Skills Leadership experience in handling financial management of a large organization along with an understanding of accounting and financial statements.	√	√		√	√	√
Strategic Planning Expertise in developing and implementing strategies for sustainable and profitable in the changing business environment. Ability to assess the strength and weaknesses of the Company and devise strategies to gain competitive advantage.	√	√	√	√	√	√
Legal and Risk Management Knowledge and experience in regulatory and governance requirements and ability to identify key risks affecting the governance of the Company.	√	√		√	√	√
Corporate Governance Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.	√	√	√	√	√	√
Marketing Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation	√	√	√			
Sustainability and Environment Experience in leading the sustainability visions of organizations, to be able to integrate these into the strategy of the Company	√	√	√	√	√	√

i. The Board of Directors has confirmed that in the opinion of the board, the independent directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

j. No Independent director resigned during the year ended March 31, 2026.

3. AUDIT COMMITTEE:

The Board has constituted a qualified and independent audit committee in accordance with the provision as prescribed in the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Committee members are professionals having requisite experience in the fields of Finance and Accounts, Banking and Management.

a. Brief Description of terms of reference:

The role of the Audit Committee includes the following:

I. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

II. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

III. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

IV. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:

  a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

  b. Changes, if any, in accounting policies and practices and reasons for the same;

  c. Major accounting entries involving estimates based on the exercise of judgment by management;

  d. Significant adjustments made in the financial statements arising out of audit findings;

  e. Compliance with listing and other legal requirements relating to financial statements;

  f. Disclosure of any related party transactions;

  g. Modified opinion(s) in the draft audit report;

V. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

VI. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

VII. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

VIII. Approval or any subsequent modification of transactions of the listed entity with related parties;

IX. Scrutiny of inter-corporate loans and investments;

X. Valuation of undertakings or assets of the listed entity, wherever it is necessary;

XI. Evaluation of internal financial controls and risk management systems;

XII. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

XIII. 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;

XIV. Discussion with internal auditors of any significant findings and follow up there on;

XV. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

XVI. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

XVII. 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;

XVIII. To review the functioning of the whistle blower mechanism;

XIX. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

XX. 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 existing as on the date of coming into force of this provision.

XXI. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee shall mandatorily review the following information:

i. Management discussion and analysis of financial condition and results of operations;

ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;

iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;

iv. Internal audit reports relating to internal control weaknesses; and

v. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

vi. 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) of the SEBI (LODR) Regulations, 2015.

b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (LODR) Regulations, 2015.

b. Composition:

As on 31st March 2026, the Audit Committee of the Company comprised of three Independent Directors viz. Mr. Ram Krishna Dash (Chairman), Mr. Susanta Kumar Panda (Member), Mrs. Roma Sanghani (Member) and one Executive Director – Mr. Brijmohan Chiripal (Member).

c. Meetings and Attendance:

During the Financial Year 2025-26, 5 Audit Committee Meetings were held 21st May, 2025, 11th July, 2025, 8th August, 2025, 13th November, 2025 and 10th February, 2026. The attendance of Members at meetings was as under:

Sr. No	Name of Directors	Position	Number of Committee Meetings held during the tenure of Membership	Number of Committee Meetings attended
1.	Mr. Ram Krishna Dash	Chairman	5	5
2.	Mr. Susanta Kumar Panda	Member	5	5
3.	Mrs. Roma Sanghani	Member	5	4
4.	Mr. Brijmohan D. Chiripal	Member	5	5

The Audit Committee invites Senior Executives, Representatives of the Statutory Auditors of the Company & Head of the Internal Audit Department, whenever it considers appropriate, in the meetings. The Company Secretary of the Company acted as the Secretary of the Committee for the financial year 2025-26.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company has been constituted in accordance with the provisions of Regulation 19 of the SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013.

a. Brief description of Terms of reference:

The Committee has the mandate to review and recommend compensation/ remuneration payable to the Managing Director, Whole-time Directors and Senior Management of the Company. Its function also includes administering of the Company's Stock Option Plans, if any, including the review and grant of the Stock Options to eligible employees under plans, as and when necessary. The Committee reviews the performance of the Managing Director, Whole-time Directors, committees of the Board and Senior Management of the Company for the above-mentioned purpose and may have requisite parameters as it may deem fit.

In addition to the above role, Committee also perform the following other roles;

i. To formulate criteria for determining qualifications, positive attributes and independence of a director and oversee the succession management process for the Board and senior management employees;

ii. To recommend the Board a policy relating to the remuneration of the Directors, KMPs and other employees of the Company;

iii. To formulate criteria for evaluation of Independent Directors and the Board;

iv. To devise a policy on Board Diversity;

v. To carry out evaluation of every Director's performance;

vi. To identify persons who are qualified to become Director and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

vii. 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.

viii. To recommend to the board, all remuneration, in whatever form, payable to senior management.

b. Composition ,Meetings held and the attendance during the year

As on 31st March 2026, the Nomination and Remuneration Committee of the Company comprised of three Independent Directors viz. Mr. Susanta Kumar Panda, Mr. Ram Krishna Dash and Mrs. Roma Sanghani.

During the Financial Year 2025-26, 1 (one) meeting was held in FY 25-26 Nomination and Remuneration Committee Meetings was held on 11th July, 2025. The Attendance of Members at meeting was as under:

Sr. No.	Name of members	Position	Number of Committee Meetings held during the tenure of Membership	Number of Committee Meetings attended
1.	Mr. Susanta Kumar Panda	Chairman	1	1
2.	Mr. Ram Krishna Dash	Member	1	1
3.	Mrs. Roma Sanghani	Member	1	1

c. Performance Evaluation Criteria for Independent Directors:

The Board of Directors has formulated performance evaluation criteria of Independent Directors of the Company. The Performance Evaluation of Independent Directors is carried out on the basis of their role, expertise, skills, leadership qualities, strategic direction to align company's value and standards, effective decision-making ability, Initiative on knowledge updates, internal controls etc.

As required under Section 149 of the Companies Act, 2013 read with Schedule IV to the Act and Regulation 25 of the SEBI (LODR) Regulations, 2015, the performance of Non-Independent Directors, the Chairperson of the Company and Board as a whole and to assess the quality, quantity and flow of information between the management and the Board was carried out.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee is responsible for matters related to stakeholders' grievances and roles and responsibilities as provided in the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

I. As on 31st March 2026, the Stakeholders Relationship Committee of the Company comprised of three Independent Directors viz. Mr. Ram Krishna Dash, Mr. Susanta Kumar Panda and Mrs. Roma Sanghani.

During the Financial Year 2025-26, 4 Stakeholders Relationship Committee meetings were held on 21st May, 2025 8th August 2025, 13th November 2025 and 10th February, 2026. The attendance of Members at meetings was as under:

Sr. No.	Name of members	Position	Number of Committee Meetings held during the tenure of Membership	Number of Committee Meetings attended
1.	Mr. Ram Krishna Dash	Chairman	4	4
2.	Mr. Susanta Kumar Panda	Member	4	4
3.	Mrs. Roma Sanghani	Member	4	3

II. Name and Designation of Compliance Officer:

CS Dilip Nikhare is the Company Secretary & Compliance Officer for the company appointed on 11/07/2025

III. Details of Complaints/ Queries received, redressed, unresolved during 1st April 2025 to 31st March 2026 are as follows:

Number of shareholders' complaints pending at the beginning of the year	Number of shareholders' complaints received during the year	Number of shareholders' complaints redressed during the year	Number of shareholders' complaints pending at the end of the year
0	0	0	0

5A. RISK MANAGEMENT COMMITTEE:

As per SEBI LODR Regulation 21, the Risk Management Committee (RMC) is mandatory for the top 1,000 listed entities by market capitalization and high-value debt listed entities and as Vishal Fabrics Limited does not fulfil any of the criteria thus there's no requirement for a risk management committee in the company however the Company has laid down procedures for risk assessment and its minimization. These are reviewed by the Board to ensure that the management manages the risk through a properly defined framework.

5B. SENIOR MANAGEMENT:

Particulars of senior management including the changes therein since the close of the previous financial year:

Sr. No.	Name of Senior Management Personnel	Designation
1.	Ashish Bansal	Deputy Manager (Finance & Accounts)
2.	Monika Bhandari	Head (Finance & Accounts)
3.	Mahesh Kawat	Senior Manager (Finance & Accounts)
4.	Dharmesh Dattani	Chief Financial Officer
5.	Dilip Nikhare	Company Secretary & Compliance Officer
6.	Suketu Narendrabhai Shah	Chief Executive Officer
7.	Umakant Sharma	Vice President Marketing -HOD

Mr. Dipex Modi Executive (Finance & Accounts) has resigned from the post of Senior Management Personnel dated on 23rd March, 2026

Mr. Rajneesh Garg General Manager (Marketing) has resigned from the post of Senior Management Personnel dated on 24th March, 2026

Mr. Jyotender Tiwari Manager (Marketing) has resigned from the post of Senior Management Personnel dated on 26th March, 2026

6. Remuneration of Directors:

i. Remuneration to Non-Executive Directors:

There are no pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company, except otherwise stated in the Report. All the Non-executive Directors receive sitting fees for attending Board Meetings, Audit Committee Meetings and Nomination and Remuneration Committee Meetings. The sitting fees paid to Non-Executive Directors are within the limits prescribed under the Companies Act, 2013 read with the relevant Rules.

Details of the sitting fees paid during the financial year 2025-26 are as under:

Sr. No.	Name of the Directors	Sitting Fees paid (Amount in Crores.) Board/Committee Meeting (In INR)
3.	Ms. Roma Sanghani	0.002
4.	Mr. Ram Krishna Dash	0.01
5.	Susanta Kumar Panda	0.01

ii. Remuneration to Executive Directors:

Details of remuneration paid to the Executive Directors of the Company during the year ended March 31, 2026 are as under:

Sr. No.	Name of the Directors	Designation	Salary & Allowances (Amt. in ₹)	Contribution to PF (Amt. in ₹)	Total (Amt. in ₹)
1.	Mr. Ravindra Bajaj	Whole Time Director	31,00,000	NIL	31,00,000
2.	Mr. Arvind Pandey	Whole Time Director	17,54,741	NIL	17,54,741

None of the above-mentioned Directors of the Company is receiving any fixed components and performance linked incentives on the basis of the performance criteria or by way of services contract. Further to that, Stock option was also not provided to any of the Directors during the period

7. INFORMATION ON GENERAL BODY MEETINGS:

i. Details of the last three years Annual General Meetings (AGM) or Extra Ordinary General Meetings (EGM) are as under:

FINANCIAL YEAR	DATE & TIME	VENUE
2024-25	September 19,2025 11:30 am	Meeting through Video Conferencing/ Other Audio-Visual Means facility.
2023-24	August 27, 2024 02:00 P.M.	
2022-23	September 29, 2023 02:00 P.M.	

ii. Special Resolutions passed in the last 3 Annual General Meetings:

2024-25

a. **No special resolution passed**

2023-24

a. Issuance of upto 5,00,00,000 (five crores only) compulsorily convertible equity warrants on a preferential basis to the persons belonging to "Non-Promoter, Public Category".

b. To raise capital by way of Qualified Institutions Placement to eligible investors through an issuance of equity shares and/or other eligible securities.

2022-23

a. Reappointment of Mr. Ravindra Bajaj (DIN: 08243855) as Whole Time Director of the Company and approve his remuneration.

b. Approval of revision in the remuneration of Mr. Parmod Kumar (DIN: 06387498) as an Executive Director of the Company.

iii. Postal Ballot and procedure:

During the year, no resolutions were passed through postal ballot

8. MEANS OF COMMUNICATION:

In compliance of SEBI Listing Regulations, the quarterly and annual financial results of the Company were submitted to Stock Exchange i.e. BSE soon after Board of Directors approved and taken on record these results and were normally published in Financial Express in English and Gujarati language and displayed on the Company's website at www.vishalfabricsltd.com. All important information(s) and official press releases, wherever required, are displayed on the website for the benefit of the public at large.

Your Company also regularly makes presentation to the analyst in their meetings held from time to time, transcripts of which are uploaded on your Company's website. The schedule of analyst meets/Institutional Investors meets are also informed to the public through the Stock Exchanges.

Further, the Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the stock exchange. The Managing Director, Whole Time Director, Chief Executive Officer, Chief Financial Officer and the Company Secretary of the Company are empowered to decide on the materiality of the information for the purpose of making disclosure to the Stock Exchanges.

9. GENERAL SHAREHOLDER INFORMATION:

i. Annual General Meeting:

Date	11th August, 2026
Time	11:00 AM
Venue	Meeting through Video Conferencing/ Other Audio-Visual Means facility.

ii. **Financial Year:** The Financial Year of the Company is for a period of 12 months from 1st April to 31st March.

iii. **Dividend Payment Date:** The Board has not recommended final dividend for the financial year under review.

iv. **Registered Office:**

Shanti Corporate House, Near Hira Rupa Hall, Bopal-Ambli Road, Bopal, Ahmedabad-380058.
E-mail: cs.vfl@vishalfabrics.co.in
Website: https://vishalfabricsltd.com/
Tel: 9099952542, 02717 -466959
Fax: 091-7925353981

v. **Listing on Stock exchanges:**

Sr. No.	Name of Stock Exchange	Code/ Symbol	Address
1.	BSE Limited	538598	Phiroze Jeejeebhoy Tower, Dalal Street Mumbai-400 001

vi. **Listing Fees:** The Company has paid Annual Listing Fees to the Stock Exchange.

vii. **Custodian Fees to Depositories:** The Company has paid fees for the financial year 2025-26 of Central Depository Services (India) Limited (CDSL) and National Securities Depositary Limited (NSDL).

viii. **Suspension of Trading in case of securities:** No securities of Vishal Fabrics Limited are suspended for trading by any authority for the time being.

ix. **Registrar and Share Transfer Agent:**

MUFG Intime India Pvt. Ltd.
(Formerly known as Link Intime India Private Limited)
5th Floor, 506-508 Amarnath Business Centre -1, St. Xavier's Corner, Chimanlal Girdharlal Road, Sardar Patel Nagar, Ellis Bridge, Ahmedabad-380009.
Phone: 079 2646 5179 • Website: www.in.mpms.mufg.com • E-mail: ahmedabad@in.mpms.mufg.com

i. **Share Transfer System:**

Entire holding of the Company is in dematerialized form and matters pertaining to Share Transfer are being handled by MUFG Intime India Pvt. Ltd. (Formerly known as Link Intime India Private Limited).

ii. **Distribution of Shareholding:**

- **Distribution of Shareholding as on March 31, 2026:**

Sl. No.	SHARES RANGE	NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE
1	1	to	500	31005
2	501	to	1000	2874
3	1001	to	2000	1673
4	2001	to	3000	676
5	3001	to	4000	299
6	4001	to	5000	304
7	5001	to	10000	485
8	10001	to	**********	533

- **Category wise Shareholding as on March 31, 2026:**

Sl. No.	Category	No. of Shareholders	No. of equity shares held	% of holding
1	Individual Promoters	16	32538558	13.2
2	Promoter Body Corporates	13	96400496	38.9
3	Foreign Individual Promoters	1	7386177	3
4	Foreign Portfolio Investors	10	60716819	24.52
5	Individual Shareholders holding nominal capital upto ₹ 2. 00 Lakh	36386	18610448	7.52
6	Individual Shareholders holding nominal capital in excess ₹ 2.00 Lakh	109	15341178	6.20
7	Non-Resident Indians (NRIs)	221	1444430	0.58
8	Bodies Corporate	69	5170113	2.09
9	Body Corp-Ltd Liability Partnership	10	8004857	3.23
10	HUF and Clearing Member	363	1996927	0.81
	Total	**37198**	**247610003**	**100**

iii. **Dematerialization of Shares and Liquidity:**

Entire equity share capital is held in the demat form with NSDL and CDSL.

iv. **Outstanding Global Depository receipt (GDRs)/American Depository Receipt (ADRs) /Warrants or any Convertible Instruments, conversion date, likely to impact on equity:-**

NA

v. **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

The Company is not dealing in commodities and hence disclosure relating to Commodity price risks and commodity hedging activities is not required.

vi. **Plant Locations:**

- Narol, Ahmedabad
- Dholi, Ahmedabad

vii. **Address for Correspondence:**

- **For any query relating to shares:**
  MUFG Intime India Pvt. Ltd.
  (Formerly known as Link Intime India Private Limited)
  5th Floor, 506-508 Amarnath Business Centre -1, St. Xavier's Corner, Chimanlal Girdharlal Road, Sardar Patel Nagar, Ellis Bridge, Ahmedabad-380009.
  Phone: 079 2646 5179
  Website: www.in.mpms.mufg.com
  E-mail: ahmedabad@in.mpms.mufg.com

- **For General Correspondence:**
  Registered Office
  Company Secretary
  Vishal Fabrics Limited, Shanti Corporate House, Near Hira Rupa Hall, Bopal–Ambli Road, Bopal, Ahmedabad – 380058, Gujarat, India.
  Tel: 9099952542, 02717 -466959,
  Fax: 091–7925353981
  Website: www.vishalfabricsltd.com
  E–mail: cs.vfl@vishalfabrics.co.in

10. Other Disclosures:

a) Related Party Transactions:

During the year under review, apart from the transactions reported in Notes to accounts, there were no material significant related party transactions with the Promoters, Directors, Managements and other Related Parties. None of the contracts/transactions with Related Parties had a potential conflict with the interest of the Company at large. The interest of Director, if any, in the transactions are disclosed at Board Meetings and the interested Director does not participate in the discussion or vote on such transactions. Details of transactions with related parties are placed before the Audit Committee on a quarterly basis.

The Company has adopted a policy on materiality of related party transactions and dealing with Related Party Transactions and the same is disclosed on the website of the Company.

b) Details of Non- Compliance:

No Strictures or penalties have been imposed on the Company by Securities and Exchange Boards of India or by any statutory authority on any matters related to capital markets during the last three years.

c) Whistle Blower Policy and Access of personnel to the Audit Committee:

The Company has set up a Vigil mechanism by way of a Whistle Blower Policy as required under Section 177(9) of the Companies Act, 2013 to provide vigil mechanism for Directors/Employees to voice their concerns in a responsible and effective manner regarding unethical behaviour, actual or suspected, fraud or violation of the Company's policies and code of conduct. It also provides adequate safeguards against victimization of Directors/Employees who avail the mechanism.

No person of the Company has been denied access to the Audit Committee and there are no instances of any such access and the Whistle Blower Policy is available on the website of the Company.

d) Compliances by the Company:

The Company has complied with all mandatory requirements laid down by the Regulations 27 of the Listing Obligations and Disclosure Requirements Regulations, 2015. The non-mandatory requirements complied with wherever requires and same has been disclosed at the relevant places.

e) Web Link for policy on Material Subsidiary:

The Company has formed the policy for determining material subsidiary as required by Regulation 16 of the SEBI (LODR) Regulations, 2015 and the same is disclosed on the Company's website i.e. https://vishalfabricsltd.com/investor-relations/.

f) Web Link for Policy on Dealing with Related Party Transactions:

The policy on Related Party Transactions is disclosed on the Company's website at https://vishalfabricsltd.com/investor-relations/.

g) Disclosure of commodity price risks and commodity hedging activities:

The Company is not dealing in commodities and hence disclosure relating to Commodity price risks and commodity hedging activities is not required.

h) Details of utilization of funds raised through preferential allotment

The Company discloses to the Audit Committee, the uses/application of proceeds/funds raised from preferential issues as part of the quarterly review of financial results.

During the Financial Year 2023-24, the Company had issued 5,00,00,000 (Five Crore Only) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company of face value of ₹ 5/- each at a price of ₹ 30.60/- (Rupees Thirty decimal Sixty Paisa Only) each payable in cash, aggregating up to ₹ 153 Cr, (Rupees One Hundred Fifty Three Crores Only).

Further the company has received the 25% amount aggregating of ₹ 38.25 Cr at the time of warrant applicaton till 31st March, 2025 and the same has been used as per explanatory statement given in shareholders meeting August 27, 2024 i.e. working capital and general corporate purpose, repayment of unsecured loan/secured loan respectively.

The issuance was approved by the shareholders in their meeting held on August 27, 2024.

During the year 2025-26 the company has received remaining amount of 75% aggregating of ₹ 114.75 Cr and the same has been used as per explanatory statement given in shareholders meeting August 27, 2024 i.e. working capital and general corporate purpose, repayment of unsecured loan/secured loan respectively.

i) **Certificate from Company Secretary in Practice:**

The Company has taken certificate from Mr. Chirag Shah, Practicing Company Secretary, Membership No. 5545 and Certificate of Practice No. 3498, 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.

j) **Recommendation of any committee of the board which is mandatorily required:**

The Board has accepted all the recommendations of various committees of the Board during the financial Year 2025-2026.

k) **Details of total fees paid to Statutory Auditors:**

The total fees for all services paid by the company to the statutory auditor is ₹ 13,93,200/- p.a. during FY 2025-26

l) **Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- number of complaints filed during the financial year – NIL
- number of complaints disposed of during the financial year–NIL
- number of complaints pending as on end of the financial year –NIL

m) **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:**

The company has not granted any loans and advances to firms/companies in which directors are interested.

n) **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

The Company does not have any material subsidiaries.

11. Non-Compliance of requirement of Corporate Governance Report:

There is no non-compliance of any requirement of corporate governance report as required under the SEBI (LODR) Regulations, 2015 read with Schedule V of the act.

12. Discretionary Requirements:

- **The Board**

  The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company, since the Chairman of the Company is an Executive Director. Mrs. Roma Siddharth Sanghani is the women Independent Director on the board satisfying the critera led by sub regulation (2) of regulation 3 of SEBI (LODR) which contains provisions related to women independent Director on Board of the company.

- **Shareholders' Rights:**

  The quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website.

- **Modified opinion(s) in audit report:**

  There are no qualifications in the Auditor's Report on the financial statements of the company.

- **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer**

  The Chairperson and the Chief Executive Officer of the company are two different individuals. The Chairperson of the company is Brijmohan D. Chiripal whereas the Chief Executive Officer is Mr. Suketu Shah.

- **Reporting of Internal Auditor**

  Internal Auditors are invited to the meetings of Audit Committee wherein they report directly to the Committee.

- **Independent Directors**

  The meeting of independent directors is conducted once every year since your company is beyond top 2000 listed entities.

  Risk Management- Not Applicable

13. Disclosure of Compliance with Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015:

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015.

Demat Suspense Account/Unclaimed Suspense Account: Nil

Independent Auditor's Certificate on Corporate Governance

To,
The Members,
Vishal Fabrics Limited

This Certificate is issued in accordance with the terms of our Company. We have examined the compliance of conditions of corporate governance by Vishal Fabrics Limited (the 'Company') for the year ended 31st March 2026, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and Paragraphs C, D and E of Schedule V of the SEBI (LODR) Regulations, 2015 (the listing regulation).

Management's Responsibility

The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor expression on opinion of financial statements of company.

We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance note on certification of Corporate Governance issued by Chartered Accounts of India and the guidance note on special purposes issued by ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate Governance as stipulated in the Listing Regulations during the year ended 31st March, 2026.

We state that such compliance is neither assurance of future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of company.

Restriction on use

This Certificate is solely use for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For, **S V J K and Associates**
Chartered Accountants
Firm Reg. No. 135182W

Reeturaj Verma
Partner
M.No. 193591
UDIN:26193591ERMBIU6316

Date: 13-05-2026
Place: Ahmedabad

Management Discussion and Analysis

Economic Overview

Global Economy

In CY 2026, the world economy faced several headwinds but still managed to grow steadily by 3.3%. This expansion was largely driven by emerging and developing markets, which grew by 4.3%, while advanced economies recorded more modest growth of 1.8%. The US economy grew by 2.8%, supported by strong consumer spending and a resilient labour market. In contrast, the European Union experienced a slower recovery, hindered by weak domestic demand and persistent structural issues. China's growth also decelerated, primarily due to ongoing stress in its property sector.

Despite these challenges, global economic output reached approximately USD 110.5 trillion, or USD 196.1 trillion in Purchasing Power Parity (PPP) terms, reflecting the resilience of the global economy. Inflation declined to 5.7% worldwide, with emerging markets showing signs of price stabilisation. Global trade volumes increased overall, although selective US tariffs caused disruptions in some sectors. Nevertheless major economies demonstrated adaptability, contributing to macroeconomic stability and moderate growth.

Outlook

There's Huge Demand For Denim, It's a Forever Product

*From its rugged beginnings as a workwear fabric in the late 1980s to becoming a wardrobe essential across generations, denim in India has undergone a remarkable transformation. In this candid conversation with **Henry Dsouza, Associate Editor of Textile Insights, it is** reflects on the industry's evolution, Gujarat's dominance, the gaps in global competitiveness and why denim continues to thrive as a timeless, ever-relevant fashion category.*

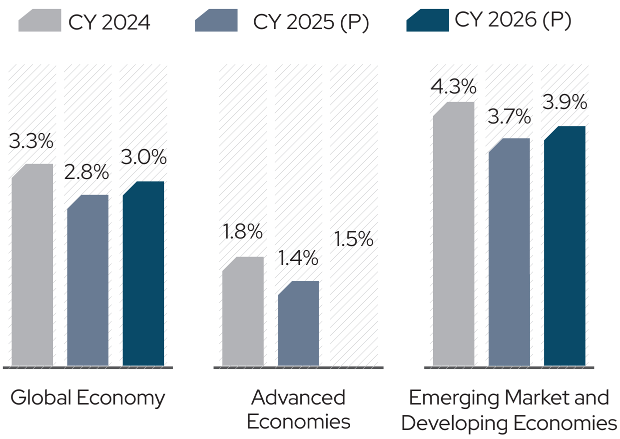
Denim in India has travelled a long road from being a rugged, workwear essential to becoming a universal fashion statement. Reflecting on this transformation, and it is notes that when denim first entered the Indian market in the late 1980s, it was perceived as a very heavy rugged fabric meant for miners and industrial workers, something durable not fashionable.

Over time, however, the category underwent a remarkable evolution. "Open-end yarns gave way to ring yarns and suddenly denim became softer, more wearable. That's when the shift truly began," he explains. The early efforts to build a denim ecosystem were equally critical. break. We had to train tailors across cities. That groundwork helped create the industry.

Despite periodic concerns about demand cycles, the company remains clear: "Denim is not going anywhere. There is still a huge demand. It's a forever product."

Global inflation is expected to continue declining, reaching about 4.3% in CY 2025 and further down to 3.6% by CY 2026. This drop is mainly due to commodity price stabilisation and improvements in global supply chains. Inflation rates will likely be lower in advanced economies compared to emerging markets, due to differences in monetary policy frameworks and central bank strategies. Overall, the global economic outlook remains cautiously optimistic, with emerging markets leading the way in growth and inflationary pressures expected to ease over the next couple of years.

Global GDP Growth Trend



P – Projected

Source: *IMF*

Indian Economy

The Indian denim fabric manufacturing industry records an estimated turnover of Rs 20,000 crore, supported by manufacturing capacities exceeding one billion meters annually. Vertically integrated operations spanning spinning, dyeing, weaving and finishing help maintain consistent quality while ensuring cost competitiveness in global markets. India has carved a strong place for itself as a 'global powerhouse' in denim production, with an installed capacity of nearly 1,600 million meters. Backed by abundant cotton, skilled manufacturing and a fast-growing home market, the country has built a solid denim foundation over the years. Beyond scale, India's denim rise is deeply rooted in its textile heritage, but it is modern manufacturing that has taken it global. Gujarat remains the backbone of this transformation, accounting for nearly 60 to 70 per cent of national production. Its proximity to cotton farms, strong processing ecosystem, and large integrated mills have helped the state emerge as the undisputed 'Denim Capital' of India. While China continues to lead in sheer volume, our nation has strengthened its position through value driven production, moving beyond fabric exports to finished, design-led garments aligned with international fashion and compliance standards. It is quickly emerging as a dependable partner for both quality and scale. Core areas such as manufacturing, agriculture and services showed good progress, contributing to rising rural and urban spending.

[1]https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025
https://textileinsights.in/theres-huge-demand-for-denim-its-a-forever-product
[2]https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/0BULL22042025F03F83AE118C4B3B84E662D980C8DE33.PDF

Inflation eased from 5.4% to 4.6%, strengthening consumer confidence and supporting a rebound in spending. To ensure sufficient liquidity in the financial system, the Reserve Bank of India (RBI) injected ₹1.5 trillion, thereby encouraging lending and economic activity. Rural consumption remained stable due to steady agricultural production and government support schemes, while urban areas benefitted from rising incomes and evolving consumption patterns. From advanced manufacturing hubs to retail networks all over, India's presence continues to expand as the denim jeans market is projected to approach USD 3.9 billion by 2030, growing at nearly 8 per cent compound annual growth rate (CAGR). Blending industrial strength with design evolution, Indian denim is gearing up to influence future global fashion demand.

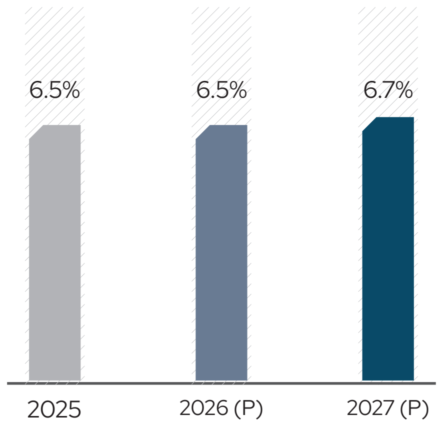
Outlook

India's ascent to the fourth-largest economy reflects its resilience and social progress. Despite global challenges, the outlook remains positive, supported by strong domestic investments, expanding manufacturing activities and improvements in trade and finance. GDP growth is expected to stay steady at 6.5%, supported by supportive government policies and accommodative monetary conditions. Important reforms such as the revision of the income tax exemption limit to ₹12.75 lakh and the recommendations of the 8th Pay Commission are likely to boost disposable income and stimulate domestic consumption. The RBI's anticipated reduction in the repo rate will make borrowing cheaper, increase liquidity and improve market confidence.

Additionally, the government is pursuing cautious trade policies to safeguard national interests amid global uncertainty. The upcoming Free Trade Agreement (FTA) between India and the UK aims to reduce tariffs, streamline customs procedures and promote bilateral investments. These developments, along with declining inflation, are expected to support consumer spending, ensure economic stability, broaden market access and contribute to India's sustainable growth.

Indian GDP Growth Trend

GDP growth (%)



P – Projected

Source: *RBI Bulletin*

Industry Overview

Indian Textile Industry

Textile Insights

1. Adoption Of Smart Technologies Likely To Mitigate Industry Headwinds
2. From Volume To Value: Recasting India's Polyester Story For A New Global Order
3. Homer's Rocket Textile Printer Lands In India:
4. Installations Power 75,000 LM/Day Output
5. India's Growth Seen At 6.4% In 2026, 6.6% In 2027

India's textile industry is moving into a phase where scale is being strengthened by innovation and efficiency. The sector supports over 45 million livelihoods and is expected to see the domestic textile and apparel market reach nearly $225 billion by 2025, growing at a healthy 10–12 per cent annually, with exports rising alongside. Employing over 45 million people, the industry is one of the largest employment generators in the country after agriculture and it produces approximately 22,000 million pieces of garments annually. the focus shifts from manufacturing scale to design-led growth. Industry experts highlight the need for innovation, sustainability and technology to drive the next phase of global competitiveness. The industry itself is realising that "the challenge today is no longer capacity; it is capability. The customers are demanding speed, traceability, sustainability, and consistency simultaneously. This is putting the existing manufacturing model to the test and making smart manufacturing a necessity for the global competitiveness of India.

Smart manufacturing' integrates automation, data, and digital intelligence throughout the textile value chain, from fibre to finished products. This is not just another form of mechanisation, but a complete switch that digitally links machines, processes, and people to optimise performance. Major technologies that are leading this shift consist of the Industrial Internet of Things (IIoT), AI, automation and robotics, digital twins, and advanced analytics. Sensors embedded into the machinery are providing real-time information on speed, tension, energy consumption, and quality variations. When analysed, this information provided predictive maintenance, reduced downtime, and improved equipment effectiveness.

The first area where the impact of smart manufacturing is apparent is in 'productivity' and 'efficiency.' Digitally enabled factories report higher output stability, faster changeovers, and better utilisation of assets. Rather than pushing machines harder, smart systems focus on running them smarter, closer to optimal operating conditions.

Productivity, efficiency, and sustainability gains:

The first area where the impact of smart manufacturing is apparent is in 'productivity' and 'efficiency.' Digitally enabled factories report higher output stability, faster changeovers, and better utilisation of assets. Rather than pushing machines

[3]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2122148

[4]https://www.livemint.com/economy/rbi-1-5-trillion-liquidity-boost-how-will-it-help-dollar-rupee-rate-cut-mint-primer-11738086455919.html

[5]https://www.linkedin.com/posts/textile-insights-newspaper_textile-insights-may-2026-issue-activity-7459468743987994624-w0gS/?utm_source=share&utm_medium=member_desktop&rcm=ACoAAC5QksEBcPnScREuTIuLh9vvnA6MseZhdcg

harder, smart systems focus on running them smarter, closer to optimal operating conditions.

'Sustainability' is one of the most important results of smart manufacturing. With the textile industry under the spotlight for its use of water, energy, and chemicals, AI-managed energy solutions optimise energy use, and digitally controlled dyeing and finishing reduce water and chemical emissions. Waste reduction is now quantifiable and achievable due to smart factories that promote traceability, accurate reporting, and supply chain visibility.

Sustainability has moved from being a mere compliance requirement to becoming a major determinant of consumer choice, and Indian manufacturers can now align with global ESG standards.

USD 34.4 billion

Worth of Textile and Apparel exported by India in FY 2023-24

USD 4.34 billion

FDI Inflow in Textiles (including Dyed, Printed) till Sept 2023

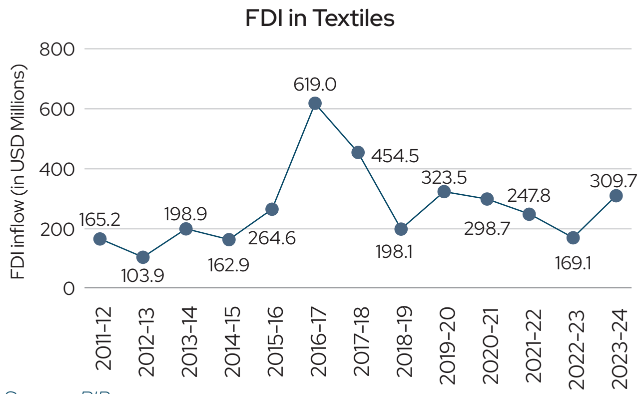
45 million

People employed in this sector

Indian textile industry has a massive workforce and a rare opportunity to shift from *labor-intensive* to skill-intensive manufacturing. Skill development programs related to digital tools, machine interfaces, and data interpretation are becoming increasingly mandatory. With proper training, smart manufacturing can help develop shop-floor safety, minimise fatigue, and help workers transition to more skilled jobs. The shift towards 'Samarth 2.0' under Budget 2026 is in sync with the requirements of smart manufacturing, focusing on developing a workforce that is industry-ready and suitable for automation.

Branding efforts of Kasturi Cotton aim to position Indian cotton as a high-quality, globally recognised commodity. The sector is also undergoing a significant transformation through trends such as sustainable manufacturing, increased automation and digitisation often referred to as Textiles 4.0. These innovations, along with a growing emphasis on eco-friendly practices, are shaping the industry landscape.

FDI in the Textile Industry



Source: *PIB*

https://indiantextilejournal.com/manufacturing-gets-smarter/

Looking ahead, the Indian textile sector holds an optimistic outlook. Rapid urbanisation, rising disposable incomes, a young and skilled workforce and favourable policy frameworks are expected to accelerate both domestic consumption and exports. Notably, the Union Budget for 2025-26 has allocated ₹5,272 crores to the Ministry of Textiles, marking a 19% increase from the previous year's budget estimate of ₹4417.03 crores. This increased funding is poised to support ongoing initiatives in modernisation, technical textiles and global market expansion. With continued government backing, a strong manufacturing base and growing focus on innovation and sustainability, India is well-positioned to reinforce its stature as a leading global hub for textiles and apparel.

Opportunities and Challenges

Opportunities

Opportunities	Description
Rising Global Demand for Sustainable Textiles	Increasing demand for eco-friendly and ethically sourced textiles presents opportunities for diversification, adoption of sustainable practices and compliance with evolving standards.
Government Support and Policy Incentives	Policies such as PLI schemes, interest subsidies and textile park development encourage industry expansion and improve global competitiveness.
Expansion in Technical and Functional Textiles	Growing applications in sectors such as healthcare, automotive, defence and construction create avenues for innovation, diversification and new revenue streams.
Digitisation and Automation	Embracing digital technologies enhances efficiency, reduces lead times and improves responsiveness to changing market trends.

[6]https://www.pib.gov.in/PressReleasePage.aspx?PRID=2117470

Challenges

Challenges	Description
Volatility in Raw Material Prices	Fluctuations in prices of cotton, dyes and energy affect margins and complicate cost forecasting and management.
Intense Competitive Pressure	Competition from unorganised domestic players and global manufacturers necessitates continuous innovation, cost optimisation and differentiation.
Geopolitical and Trade Risks	Trade policy shifts, tariffs and geopolitical uncertainties can disrupt supply chains and restrict access to export markets.
Strict Environmental and Compliance Norms	Increasing environmental and labour regulations raise compliance costs and require ongoing investment in processes and infrastructure upgrades.

Indian Denim Industry

India's denim industry has emerged as a global powerhouse, currently ranking as the third-largest producer of denim worldwide. Driven by a steady annual growth rate of 8–9%, the market is projected to rise from USD 6.15 billion in FY2023 to USD 9.15 billion by FY2026. Gujarat spearheads the sector, producing up to 70% of the country's denim fabric, earning its title of 'Denim Capital of India'. Rising disposable incomes, evolving fashion preferences among younger consumers and increasing demand from rural as well as urban centres fuel market expansion.

However, the sector contends with challenges, including high raw material costs, particularly for cotton, spandex and polyester. The industry also faces the impact of volatile trade dynamics and rising buyer demands for faster production cycles. In response, the industry is undergoing a significant transformation. There is a marked shift toward sustainable manufacturing practices, along with increased emphasis on product innovation and investments in research and development. These initiatives are essential for maintaining competitive advantage and responding to evolving consumer preferences. With global demand for denim rebounding and the industry embracing new technologies, India is well-positioned to consolidate and expand its leadership in denim manufacturing.

Key Trends in the Indian Denim Industry

Key Trend	Description
Preference for sustainability and eco-Friendly denim	Indian denim manufacturers are increasingly prioritising sustainability. They use organic cotton, adopt water saving production methods and recycle materials to reduce pollution and waste. This helps meet the growing demand for eco-friendly products.
Technology-driven manufacturing	Companies are adopting advanced technologies such as laser finishing for denim effects, Artificial Intelligence (AI) and automation machines. These help them manufacture quality products faster using fewer resources, thereby saving money and energy.
Rising domestic and rural demand	Growing incomes and rising popularity of denim across both urban and rural areas are driving increased demand. This trend is helping the denim industry to expand beyond metropolitan markets.
Premiumisation and customisation	Consumers, especially the youth, are seeking high quality denim with personalised fits and styles. Brands are responding with special washes, unique designs and personalised sizes to cater to this demand.
Export growth and global reach	Indian denim manufacturers are expanding their global footprint, exporting more to markets of the US and Europe. By adhering to international quality and sustainability standards, they are emerging as reliable suppliers worldwide.

Company Overview

Founded in 1985, Vishal Fabrics Limited (VFL) has evolved into a global leader in textile processing, with a clear mission to make denim an essential part of everyday style. As the flagship company of the Chiripal Group, VFL specialises in dyeing, printing and finishing a wide range of fabrics, from pure cotton to sustainable blends such as modal and Tencel.

Headquartered in Gujarat, the Company operates advanced facilities with an impressive annual processing capacity of over 100 million metres. Its advanced infrastructure, including high-efficiency machinery and a 6MW captive power plant, supports sustainable and smart manufacturing practices that meet the evolving demands of global markets.

VFL's reach spans continents, with a growing presence in regions such as South Africa to Sri Lanka. Through a commitment to innovation, quality and inclusive fashion, Vishal Fabrics goes beyond manufacturing to shape global textile trends that resonate across cultures and communities worldwide.

Manufacturing Capabilities

Vishal Fabrics Limited (VFL) operates an advanced manufacturing facility with an annual processing capacity of over 100 million metres of processed fabric. This includes an 80 Million Metres Per Annum (MMPA) denim fabric processing line and an additional 105 MMPA capacity for processing a diverse range of fabrics such as 100% cotton, cotton-spandex blends, polyester, modal and Tencel. The facility employs advanced technology including 464 weaving

[7] https://www.textiletoday.com.bd/indias-denim-industry-emerges-as-a-global-powerhouse

looms, multiple warping units, dyeing machines, singeing machines, mercerising units and finishing equipment. This comprehensive setup enables VFL to produce diverse products from shirting fabrics and dress materials to home furnishings and high demand stretch denim, appealing to consumers across age groups.

Committed to promoting sustainability, VFL integrates eco-friendly practices such as water recycling and operates a 6MW captive power plant to ensure energy efficient production. Its skilled engineering team focuses on continuous innovation and process improvement, maintaining stringent quality benchmarks. VFL's quality management is certified to ISO 9001, with environmental compliance certified to ISO 14001. The Company also holds globally recognised textile certifications including OEKO-TEX, BCI and GOTS.

To ensure consistent quality, VFL conducts rigorous fabric testing at multiple stages of production. Its quality standards are comparable to those of international brands such as Levi's. By utilising an asset-light model and benefitting from vertical integration within the Chiripal Group, VFL sources up to 90% of its yarn from in-group spinning mills, ensuring superior consistency and quality. The Company caters to both domestic and international markets, supplying a broad client base including major fashion brands and e-commerce platforms. With its high production capacity, advanced infrastructure, eco-conscious operations, robust quality assurance and strategic market reach, Vishal Fabrics Limited continues to be a prominent player in the global textile industry.

Operational Performance

Financial Performance

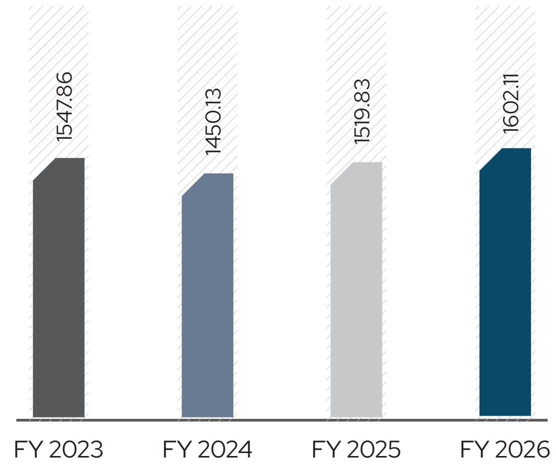
(₹ in Crores)

PARTICULARS	2025-26	2024-25
Net Revenue from Operations	1,602.11	1,519.83
Other Income	1.15	1.60
Total Revenue	**1,603.26**	**1521.43**
Less: Expenses excluding Depreciation	1,528.47	1,443.33
Profit before Depreciation & Tax	**74.79**	**78.10**
Less: Depreciation	31.63	33.20
Profit Before Tax	**43.16**	**44.90**
Less: Provision for Taxation (Including Deferred Tax)	10.98	21.07
Profit After Tax	**32.18**	**23.84**
Earnings Per Share (in ₹)	1.37	1.21

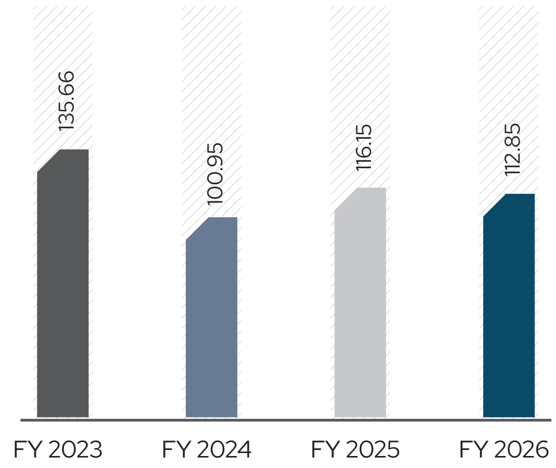
During the year under review, your Company has achieved a Turnover of ₹ 1602.11 Crore as compared to Previous Year ₹ 1519.83 Crore. The Profit before depreciation and tax was ₹ 74.78 Crore as compared to ₹ 78.10 Crore in the Previous Year. The profit after tax for the year ₹ 32.18 Crore as compared to Profit ₹ 23.83 Crore reported in the Previous Year.

The Performance of the Company has been comprehensively discussed in the Management Discussion and Analysis Report (forming part of the Annual Report) based on the reports of the each of the units of Company.

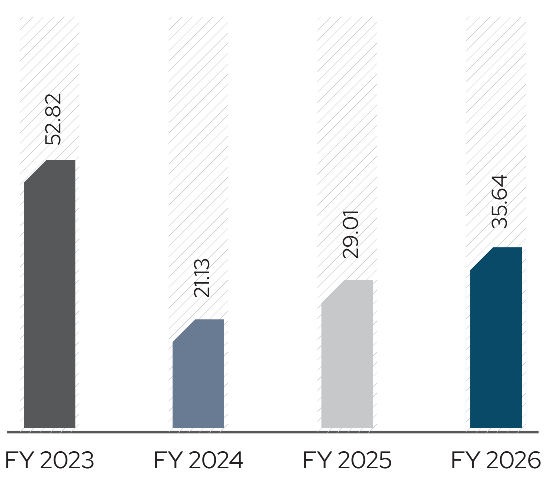
Revenue from Operations (₹ in crores)



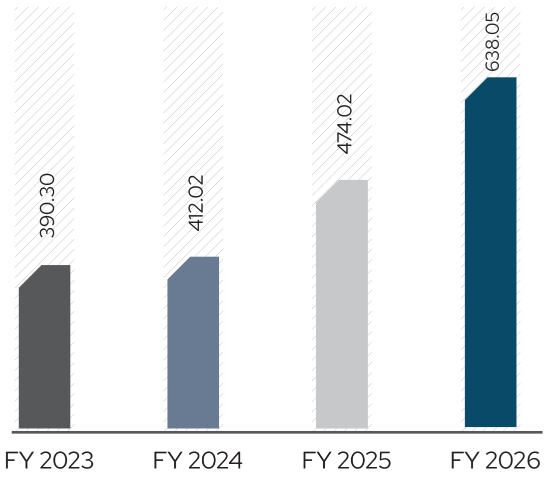
EBITDA (₹ in crores)



PAT (₹ in crores)



Net Worth (₹ in crores)



Key Financial Ratio

Sr. No.	Ratio Name	Particulars	Ratio 2025-26	Ratio 2024-25	% of Variance	Reason For Variance
1	Current Ratio (in times)	current Asset current liability	2.37	1.94	22.07%	Due to discharge of creditors liability and increase in receivables.
2	Debt Service Coverage Ratio (in times)	EBIDITA (Interest+Repayment)	3.46	2.92	18.79%	NA
3	Inventory Turnover Ratio (in times)	Sales Average Investory	17.97	14.54	23.59%	Due to the lower Capacity utilization during the year comparing to previous financial year.
4	Trade Payable Turnover Ratio (in times)	Net Purchase Average Trade Payable	12.13	12.53	-3.21%	NA
5	Net Profit Ratio (in%)	Net Profit Net Sales	2.01	1.57	28.05%	Due to reversal of Deferred Tax Liability.
6	Debt-Equity Ratio (in times)	Total Debt Total Shareholder Equity	0.35	0.62	-42.72%	Due to payment of unsecured Loan.
7	Return On Equity Ratio (in%)	Net Income Average shareholder's Equity	5.79	5.38	7.55%	NA
8	Trade Receivable Turnover Ratio (in times)	Net Sales Average Trade Receivable	2.73	2.93	-6.89%	NA
9	Net Capital Turnover Ratio (in times)	Net Sales Working Capital	3.67	4.59	-20.12%	Due to increase in working capital.
10	Return On Capital Employed Ratio (in %)	EBIT Capital Employed	9.33	10.78	-13.45%	NA
11	Return On Investment (in %)		48.71	19.84	145.50%	Due to the increase in the fair value of Investment.

Outlook

The Indian textile industry significantly contributes to the national economy, with its output including both domestic production and exports. The industry's output is a key factor in India's GDP, industrial production, and employment. The textile sector is also a major contributor to export earnings, with significant exports of apparel, raw materials, and finished goods.

As per the analysis, the industry is expected to record positive growth in the coming years. The Indian Government is actively drafting strategies to improve the contribution of textiles in the export. Additionally, by 2030, the Indian textile industry is anticipated to reach a total production size of USD 250 billion and export of USD 100 bn[8]. This growth is projected to be driven by leveraging technology, enhancing product innovation, fostering strategic partnerships and utilising data-driven decision-making processes. Moreover, factors including increasing Government support, recovery in textile export, rising disposable income and a growing middle-economic population are expected to further support the growth of the industry in coming years.

Risk and Concerns

Risk Category	Description of Risk	Mitigation Strategy
Economic Risk	Fluctuations in inflation rates and trade terms may adversely affect operations, profitability and long-term sustainability.	The Company conducts systematic cost analyses, performs regular financial health assessments, diversifies markets and supply chains and secures long-term contracts to strengthen resilience.
Competition Risk	A highly competitive market can erode profitability, market share and return on capital.	The Company invests in strong R&D driven innovation, cultivates strategic partnerships and builds lasting client relationships to reinforce brand equity and market positioning.
Consumer Preference Risk	Rapid shifts in customer preferences may impact relevance and competitiveness.	The Company implements continuous market research, agile product strategies and engages consumers through personalised digital experiences.
Exchange Rate Risk	Volatility in foreign exchange rates may lead to financial instability.	The Company implements proactive currency monitoring and trading strategies to manage exposure to exchange rate variations.
Technology Risk	Lagging behind in technological advancement can weaken market position and operational efficiency.	The Company conducts ongoing technology risk assessments, invests in process automation and adopts emerging technologies to maintain market relevance and enhance productivity.
Procurement Risk	Raw material price volatility and supply disruptions can have a negative impact on profitability and operational continuity.	The Company optimises procurement planning, cultivates reliable supplier base and maintains flexible supply chain systems to ensure cost-effective and consistent material flow.
Environmental Risk	Activities leading to soil degradation, water depletion or pollution can harm the environment as well as tarnish brand reputation.	The Company adopts eco-friendly practices, reduces carbon emissions, adopts renewable energy, conducts regular environmental assessments and complies with all relevant environmental regulations and industry standards.

Human Resource

Vishal Fabrics Limited continues to regard its workforce as one of its most invaluable assets, recognising that sustained success is rooted in skilled, motivated and engaged employees. As of this year, the total workforce stands at 440, reflecting the Company's commitment to growth and talent acquisition.

To support continuous development, the Company offers targeted training and leadership development programmes aimed at enhancing professional capabilities and nurturing future leaders across all functions. These initiatives are strategically aligned with organisational objectives to ensure mutual growth.

In pursuit of a vibrant and performance-driven workplace culture, the Company has implemented structured employee engagement programmes that have proven instrumental in elevating productivity and strengthening morale. These efforts have amplified job satisfaction as well as played a significant role in talent retention.

Maintaining open and transparent communication remains a top priority. Through clearly defined channels, the Company encourages dialogue, collaboration and cross-functional synergy, enabling a workplace culture that thrives on trust and shared success.

Internal Control and Adequacy

Vishal Fabrics has established robust internal control systems that are proactively enhanced to align with evolving business dynamics and to comply with statutory and accounting standards. A sophisticated Management Information System forms the backbone of its control infrastructure, enabling precise and timely decision-making. Oversight by the Audit Committee of the Board of Directors ensures continuous evaluation of these systems' efficacy and efficiency. Throughout the year, the internal controls underwent comprehensive testing, which confirmed their structural integrity and operational soundness, with no significant deficiencies identified. Strategic recommendations from the committee contribute to ongoing reinforcement and optimisation.

Cautionary Statement

The MDA section contains forward-looking statements highlighting the Company's potential future prospects. These statements are subject to inherent risks and uncertainties, which may cause actual outcomes to differ significantly. Furthermore, macro-environmental shifts and the unpredictable character of global events, such as the pandemic, pose unexpected obstacles to the Company and its operational environment. The information in the report is based on assumptions derived from both internal and external sources, which may vary over time, resulting in revisions to the estimations provided. It is crucial to note that these forward-looking statements reflect the Company's current objectives, beliefs, or assumptions and are accurate as of the date they were made. The Company is under no responsibility to update or alter these statements in light of new information or future events unless required by relevant regulations.

Independent Auditors' Report

To
The Members of
M/S. VISHAL FABRICS LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **M/S. VISHAL FABRICS LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Changes in Equity and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian accounting Standards prescribed under section 133 of the Act read with the companies (Indian Accounting standards) Rule, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026 and its profit & total Comprehensive Income ,Changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act. 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgements and estimates that are responsible and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management and Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

A further description of the auditor's responsibilities for the audit of the financial statements is included in **Annexure A.** This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

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

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Balance sheet, the statement of Standalone Profit and loss including other comprehensive Income, Statement of changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone statement of financial statements complies with the Indian Accounting Standards specified under Section 133 of the Act.

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

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

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

      ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.

      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) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

vi) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable and Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year. and as informed to us the audit trail has been preserved by the company as per the statutory requirements for record retention.

For, S V J K and Associates
Chartered Accountants
Firm Reg. No. 135182W

Reeturaj Verma
Partner
M.No. 193591

Place: Ahmedabad
Date: 20.05.2026
UDIN: 26193591ONAEFN2593

Annexure "A" to the Independent Auditor's Report

Responsibilities for Audit of Financial Statement

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

For, S V J K and Associates
Chartered Accountants
Firm Reg. No. 135182W

Place: Ahmedabad
Date: 20.05.2026
UDIN: 26193591ONAEFN2593

Reeturaj Verma
Partner
M.No. 193591

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) a) In respect of Property, Plant and Equipment and Intangible Assets:

A) According to the information and explanation given to us and the records produced to us for our verification, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital Work in Progress ('CWIP') and Right to Use.

B) According to the information and explanation given to us and the records produced to us for our verification the company is maintaining proper records showing full particulars of the Intangible assets including those under development.

b) According to the information and explanation given to us and the records produced to us for our verification, the Company has a regular programme of physical verification of its Property, Plant and Equipments by which all Property, Plant and Equipments are verified by the management at least once in every three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and the discrepancies noticed on verification were not material and have been appropriately dealt with in the books of accounts. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanation given to us and the records produced to us for our verification, 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 standalone financial statements are held in the name of the company.

d) According to the information and explanation given to us and the records produced to us for our verification, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, clause 3(i)(d) of the Order is not applicable.

e) Based on the information and explanations furnished to us, no proceedings have been initiated or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

(ii) In respect of Inventory:

(a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. As informed to us there were no material discrepancies noticed on verification between the physical stocks and the book records and any discrepancies found has been properly dealt within the books of accounts.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets and quarterly returns/ statements filed by company with such bank or financial institutions are in agreement with books of accounts.

(iii) In respect of the loans, secured or unsecured, granted by the company to companies, firms or other parties:

(a) The Company has provided advances and guarantee during the year and details of which are given below:

Particulars	Guarantees	Advances
Aggregate amount of granted/provided during the year		30,000,000
others	-	-
Balance outstanding as at Balance sheet date in respect of above cases	-	30,000,000
others	32,437,605	

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the abovementioned advances and guarantees provided during the year are, in our opinion, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the Balance Sheet date.

(e) No loans granted by the Company which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanation given to us, the company has not accepted any deposit from the public during the year. Therefore, the provisions of clause (v) of paragraph 3 of the order are not applicable to the company.

(vi) We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of the company's products to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Goods and Service Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of afore mentioned dues were outstanding as at 31St March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, details of statutory dues that have not been deposited on account of disputes are as under:

Sr. No.	Name of The Statute	Nature of Dues	Amount	Forum Where Dispute is Pending	Remark
1	Income Tax Act, 1961	Income Tax	5,053,936	CIT(A)	AY 2023
2	Income Tax Act, 1961	Income Tax	14,241,425	CIT(A)	AY 2021
3	Income Tax Act, 1961	Income Tax	1,662,430	CIT(A)	AY 2014

(viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) 1) Based upon the audit procedures performed, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, although certain loans taken from related parties, which fell due during the year, were renewed/extended prior to the due date and interest accrued and remaining unpaid has been added to loans outstanding at year end, as per terms of the agreement.

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

3) According to the information and explanations given to us by the management, the company has utilized the money obtained by way of term loan during the year for the purposes for which they were obtained.

4) 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, prima facie, no funds raised on short term basis have been used by the company for long-term purposes by the Company.

5) On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

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

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable

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

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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) 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, the Company has not received any whistle- blower complaints during the year.

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

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

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

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

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company 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, clause 3(xvi)(b) of the Order is not applicable.

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

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

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

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under provisions of sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For, S V J K and Associates
Chartered Accountants
Firm Reg. No. 135182W

Place: Ahmedabad
Date: 20.05.2026
UDIN: 26193591ONAEFN2593

Reeturaj Verma
Partner
M.No. 193591

Annexure "C" to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

Opinion

We have audited the internal financial controls over financial statements of **M/S. VISHAL FABRICS LIMITED** ("the Company"), as of 31st March, 2026, in conjunction with our audit of the standalone financial statements of the Company as at and for the year ended that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31st March 2026, based on the internal financial controls with reference to standalone financial statements 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibility include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For, S V J K and Associates
Chartered Accountants
Firm Reg. No. 135182W

Reeturaj Verma
Partner
M.No. 193591

Place: Ahmedabad
Date: 20.05.2026
UDIN: 26193591ONAEFN2593

VISHAL FABRICS LTD

Standalone Balance Sheet

as at March 31, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note No.	As At March 31, 2026	As At March 31, 2025
ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	2	117.37	139.79
(b) Capital Work-In-Progress	2A	0.39	-
(c) Investment Property	2B	50.74	56.81
(d) Financial Assets			
(i) Investments	3	88.86	59.75
(ii) Others Financial Assets	4	1.24	0.65
(e) Other Non-Current Assets	5	0.75	0.75
TOTAL NON-CURRENT ASSETS		**259.35**	**257.75**
2 CURRENT ASSETS			
(a) Investment	6	0.14	-
(b) Inventories	7	63.23	115.08
(c) Financial Assets			
(i) Trade Receivables	8	647.85	526.34
(ii) Cash And Cash Equivalents	9	0.09	0.20
(iii) Bank Balances Other Than (ii) Above	10	12.78	11.18
(d) Other Current Assets	11	31.68	29.88
TOTAL CURRENT ASSETS		**755.77**	**682.68**
TOTAL ASSETS		**1,015.12**	**940.43**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	12	123.81	98.81
(b) Other Equity	13	514.25	337.05
(c) Money Received Against Share Warrants	14	-	38.17
TOTAL EQUITY		**638.05**	**474.02**
LIABILITIES			
1 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	15	28.91	84.51
(ii) Other Financial Liabilities	16	8.44	10.73
(b) Provisions	17	1.29	1.31
(c) Deferred Tax Liabilities (Net)	18	19.47	18.17
TOTAL NON-CURRENT LIABILITIES		**58.12**	**114.72**
2 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19	196.54	207.89
(ii) Trade Payables	20		
- Due to Micro and Small Enterprises		14.33	8.75
- Due to other than Micro and Small Enterprises		88.20	116.89
(b) Other Current Liabilities	21	6.32	2.60
(c) Provisions	22	1.28	2.08
(d) Current Tax Liabilities (Net)	23	12.28	13.50
TOTAL CURRENT LIABILITIES		**318.95**	**351.69**
TOTAL EQUITY AND LIABILITIES		**1,015.12**	**940.43**
Material Accounting Policies	1		

The accompanying Notes 2 to 56 are integral part of the Financial Statements.

As per our report of even date

For **S V J K and Associates**
Chartered Accountants
Firm Registration No: 135182W

Reeturaj Verma
Partner
Membership No.: 193591
UDIN: 26193591ONAEFN2593

Place: Ahmedabad
Date: May 20,2026

For and on behalf of the Board of Directors of **Vishal Fabrics Limited**
CIN : L17110GJ1985PLC008206

Brijmohan Chiripal
Managing Director
DIN : 00290426

Ravindrakumar Bajranglal Bajaj
Whole-Time Director
DIN : 08243855

Suketu Shah
Chief Executive Officer

Dharmesh Dattani
Chief Financial Officer

Dilip Nikhare
Company Secretary
Mem No: A45570

Place: Ahmedabad
Date: May 20,2026

Standalone Statement of Profit and Loss

for the year ended March 31,2026

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Note No.	For the year 2025-26	For the year 2024-25
I	Revenue From Operations	24	1,602.11	1,519.83
II	Other Income	25	1.15	1.60
III	**Total Income (I+II)**		**1,603.26**	**1,521.43**
IV	**EXPENSES**			
	(a) Cost of Materials Consumed	26	1,391.92	1,365.22
	(b) Changes in Inventories of Finished Goods	27	42.69	(10.36)
	(c) Changes in Stock-In-Trade and Work-In-Progress	28	0.75	(3.17)
	(d) Employee Benefits Expense	29	31.59	30.63
	(e) Finance Costs	30	39.21	39.65
	(f) Depreciation and Amortization Expense	31	31.63	33.20
	(g) Other Expenses	32	22.31	21.36
	Total Expenses (IV)		**1,560.10**	**1,476.53**
V	**Profit/(Loss) Before Tax (III-IV)**		**43.16**	**44.90**
VI	**Tax Expense:**	33		
	(a) Current Tax		15.40	15.70
	(b) Deferred Tax (Credit)/charge		(4.31)	5.49
	(C) Tax Expense Related to Earlier Year		(0.11)	(0.12)
	Total Tax Expenses		**10.98**	**21.07**
VII	**Profit (Loss) For The Year (V-VI)**		**32.18**	**23.84**
VIII	**Other Comprehensive Income**	34		
	(a) Items That Will Not be Reclassified To Profit or Loss		22.72	₹ 26,475
	(b) Income Tax Relating to Items That Will Not be Reclassified to Profit or Loss		(5.62)	(₹ 4,318)
	(c) Items That Will be Reclassified to Profit or Loss		–	-
	(d) Income Tax Relating to Items That Will be Reclassified to Profit or Loss		–	-
	Total Other Comprehensive Income		**17.10**	**₹ 22,157**
IX	**Total Comprehensive Income for The Year (VII+VIII)(Comprising Profit (Loss) and Other Comprehensive Income for The Year)**		49.28	23.84
X	**Earnings Per Equity Share :**	47		
	(a) Basic (in ₹)		1.37	1.21
	(b) Diluted (in ₹)		1.37	1.06
	Material Accounting Policies	1		

The accompanying Notes 2 to 56 are integral part of the Financial Statements.

As per our report of even date

For **S V J K and Associates**
Chartered Accountants
Firm Registration No: 135182W

Reeturaj Verma
Partner
Membership No.: 193591
UDIN: 26193591ONAEFN2593

Place: Ahmedabad
Date: May 20,2026

For and on behalf of the Board of Directors of **Vishal Fabrics Limited**
CIN : L17110GJ1985PLC008206

Brijmohan Chiripal
Managing Director
DIN : 00290426

Ravindrakumar Bajranglal Bajaj
Whole-Time Director
DIN : 08243855

Suketu Shah
Chief Executive Officer

Dharmesh Dattani
Chief Financial Officer

Dilip Nikhare
Company Secretary
Mem No: A45570

Place: Ahmedabad
Date: May 20,2026

Standalone Cash Flow Statement

for the year ended March 31,2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year 2025-26	For the year 2024-25
Cash flow from operating activities		
Net profit before tax	**43.16**	**44.90**
Adjustments:		
Depreciation and amortisation	31.63	33.20
Finance expense	39.21	39.65
Interest income	(0.87)	(0.90)
Loss on sale of Property, Plant and Equipment	0.08	-
Profit on Sale of Property, Plant and Equipment	(0.01)	(0.02)
Change in Fair Value of Preference Instruments through profit and loss account	0.04	(0.48)
Change in Fair Value of Mutual Fund Investment through profit and loss account	0.01	-
Operating cash flow before working capital changes	**113.24**	**116.35**
Working capital adjustments:		
Decrease/ (Increase) in trade receivables	(121.51)	(15.54)
Decrease/ (Increase) in other current assets	(1.80)	3.69
Decrease/ (Increase) in inventories	51.85	(21.11)
Increase/ (Decrease) in trade payables	(23.11)	31.71
Increase/ (Decrease) in provisions	(0.67)	0.20
Increase/ (Decrease) in current liabilities	3.72	0.12
Increase/ (Decrease) in other financial liabilities	(2.29)	(0.25)
Cash generated from operations	**19.43**	**115.17**
Income tax paid (net of refund)	(16.51)	(7.58)
Net cash generated from operating activities (a)	**2.93**	**107.59**
Cash flow from investing activities		
Purchase of Property Plant & Equipment including Capital Work in Progress	(3.71)	(10.68)
Proceeds from sales of Property Plant & Equipment	0.12	0.04
Investment in Mutual Fund	(0.15)	-
Purchase of Non-current Investment	(6.57)	(9.48)
Capital advances and other non-current assets	(0.59)	1.87
Interest income	0.87	0.90
Net cash used in investing activities (b)	**(10.03)**	**(17.36)**
Cash flow from financing activities		
Repayment of Long term borrowings	(55.60)	(45.88)
Proceeds from issue of Share Warrants	114.75	38.17
Short term borrowings (net)	(11.35)	(42.51)
Finance cost paid	(39.21)	(39.65)
Net cash generated from /(used in) financing activities (c)	**8.59**	**(89.88)**
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	**1.48**	**0.35**
Cash and cash equivalents at the beginning of the year	11.38	11.03
Cash and cash equivalents at the end of the year	**12.86**	**11.38**

Standalone Cash Flow Statement

for the year ended March 31,2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	For the year 2025-26	For the year 2024-25
Components of cash and cash equivalents		
Cash on hand	0.06	0.09
Balances with banks		
Current accounts	0.02	0.12
Deposit accounts*	12.78	11.18
	12.86	**11.38**

Out of Other Current Assets balance ₹ 0.03 crores is laying with the income tax department perusing to the search conducted in the month of July-22.

* Deposits accounts is earmarked with bank.

Notes:

1. the Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statement notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

Material Accounting Policies 1

The accompanying Notes 2 to 56 are integral part of the Financial Statements.

As per our report of even date

For **S V J K and Associates**
Chartered Accountants
Firm Registration No: 135182W

Reeturaj Verma
Partner
Membership No.: 193591
UDIN: 26193591ONAEFN2593

Place: Ahmedabad
Date: May 20,2026

For and on behalf of the Board of Directors of **Vishal Fabrics Limited**
CIN : L17110GJ1985PLC008206

Brijmohan Chiripal
Managing Director
DIN : 00290426

Ravindrakumar Bajranglal Bajaj
Whole-Time Director
DIN : 08243855

Suketu Shah
Chief Executive Officer

Dharmesh Dattani
Chief Financial Officer

Dilip Nikhare
Company Secretary
Mem No: A45570

Place: Ahmedabad
Date: May 20,2026

VISHAL FABRICS LTD

Statement of Changes in Equity

for the year ended 31st March, 2026

A. Equity share capital

Equity shares of ₹ 5 each

(All amounts in ₹ Crores, unless otherwise stated)

As at 1st April, 2024	Change in Equity Share Capital due to prior period errors	Restated balance at the beginning of the period 1St April, 2024	Changes in equity share capital during 2024-2025	As at 31st March, 2025	Change in Equity Share Capital due to prior period errors	Restated balance at the beginning of the period 1St April, 2025	Changes in equity share capital during 2025-2026	As at 31st March, 2026
98.81	-	98.81	-	98.81	-	98.81	25.00	123.81

B. Other equity as at 31st March, 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Share Application Money pending allotment	Equity component of compound financial instruments	Reserves & Surplus		Items of other comprehensive income		Money received against Share Warrants	Total
			Security Premium	Retained Earnings	Equity instruments through other comprehensive Income	Re-measurement of defined benefit plants		
Balance at April 1, 2024	-	-	15.22	290.04	3.37	4.58	-	313.21
Retained earning during the year	-	-	-	23.84	-	-	-	23.84
Other comprehensive income for the year	-	-	-	-	(0.05)	0.06		₹ 22,157
Money received against Share Warrants	-	-	-	-			38.17	38.17
Total comprehensive income for the year	-	-	-	23.84	(0.05)	0.06	38.17	62.01
Balance at March 31, 2025	-	-	15.22	313.88	3.32	4.63	38.17	375.22
Balance at April 1, 2025	-	-	15.22	313.88	3.32	4.63	38.17	375.22
Retained earning during the year	-	-	-	32.18	-	-	-	32.18
Other comprehensive income for the year	-	-	-	-	16.89	0.21		17.10
Money received against Share Warrants	-	-	-	-			114.75	114.75
Share Warrants converted into Equity Shares	-	-	127.92	-	-	-	(152.92)	(25.00)
Total comprehensive income for the year	-	-	127.92	32.18	16.89	0.21	(38.17)	139.03
Balance at March 31, 2026	-	-	143.14	346.06	20.21	4.84	-	514.25

For **S V J K and Associates**
Chartered Accountants
Firm Registration No: 135182W

Reeturaj Verma
Partner
Membership No.: 193591
UDIN: 26193591ONAEFN2593
Place: Ahmedabad
Date: May 20,2026

For and on behalf of the Board of Directors of **Vishal Fabrics Limited**
CIN : L17110GJ1985PLC008206

Brijmohan Chiripal
Managing Director
DIN : 00290426

Ravindrakumar Bajranglal Bajaj
Whole-Time Director
DIN : 08243855

Suketu Shah
Chief Executive Officer

Dharmesh Dattani
Chief Financial Officer

Dilip Nikhare
Company Secretary
Mem No: A45570

Place: Ahmedabad
Date: May 20,2026

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note 1

I. Company Information

Vishal Fabrics Ltd. (the company) is a company domiciled in India and incorporated under the provisions of Companies Act, 1956 of India as a Private Limited company. The same was converted to public limited company w.e.f. 1st March, 2015. The company has its registered office at Bopal, Ahmedabad and plant at Narol, Ahmedabad–380009, and another plant situated at Dholi Integrated Spinning Park, Taluka: Dholka, Village: Dholi, Ahmedabad–382240, Gujarat, India. The company is engaged in manufacturing and selling of various Textile products like Dyed yarn, Denim Fabrics and job work of Textile products.

During the FY 2022-2023 Company has leased out business activity at Narol division to M/s TEXWORLD FASHIONS PRIVATE LIMITED. Narol division has strong synergy with Company's business and hence is an essential part of the Company's strategy.

II. Basis of preparation

A. The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

B. The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

1. Financial instruments measured at fair value through profit or loss
2. Financial instruments measured at fair value through other comprehensive income
3. Defined benefit plans – plan assets measured at fair value

III. Significant accounting policies

A. Revenue recognition

Revenue from contract with customers is recognized upon transfer of control of promised goods/ products to customers at an amount that reflects the consideration to which the Company expect to be entitled for those goods/ products. To recognize revenues, the Company applies the following five-step approach:

- Identify the contract with a customer,
- Identify the performance obligations in the contract,
- Determine the transaction price,
- Allocate the transaction price to the performance obligations in the contract, and
- Recognize revenues when a performance obligation is satisfied.

1. Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, related discounts & incentives and volume rebates. It includes excise duty and excludes value added tax/ sales tax/goods and service tax.

The Company has adopted Ind AS 115 Revenue from contracts with customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

2. Interest income

For all financial instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

3. Dividends

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

B. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that a company incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization.

C. Government Grants

Government grants are only recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

- When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- Where the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, at a below market rate of interest, the effect of this favorable interest is treated as a government grant. The loan or assistance is initially recognized and measured at fair value, and the government grant is measured as the difference between the proceeds received and the initial carrying value of the loan. The loan is subsequently measured as per the accounting policies applicable to financial liabilities.

D. Export Benefits

Duty free imports of raw materials under advance license for imports, as per the Foreign Trade Policy, are matched with the exports made against the said licenses and the net benefits / obligations are accounted by making suitable adjustments in raw material consumption.

E. Taxes

1. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the entity operates and generates taxable income.

Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their corresponding carrying amounts for the financial reporting purposes.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

i. deductible temporary differences;

ii. the carry forward of unused tax losses; and

iii. the carry forward of unused tax credits.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

F. Leases

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

1) **Right-of-use assets**

- The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

  Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Leasehold Land 99 years

  If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (p) Impairment of non-financial assets.

2) **Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

3) **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value

assets recognition exemption to leases of office equipment that are considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

G. **Employee Benefits**

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible Indian employees of Vishal Fabrics. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, in capacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Company contributes Gratuity liabilities to the Vishal Fabrics Limited Employees' Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with the Life Insurance Corporation of India as permitted by Indian law.

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

The company operates a defined benefit gratuity plan in India, which requires contributions to be made to a LIC.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

i. The date of the plan amendment or curtailment, and

ii. The date that the company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

i. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

ii. Net interest expense or income

1. Long-term employee benefits

Post-employment and other employee benefits are recognized as an expense in the statement of profit and loss for the period in which the employee has rendered services. The expenses are recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and loss in respect of post-employment and other long term benefits are charged to the statement of other comprehensive income.

2. Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid.

H. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost of the items. Acquisition cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of spare parts that meets the definition of 'property, plant and equipment' is recognized as property, plant and equipment. The depreciation on such an item of spare part will begin when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. In case of a spare part, as it may be readily available for use, it may be depreciated from the date of purchase of the spare part.

Capital work in progress is stated at cost and net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment.

Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated to allocate the cost of assets, net of their residual values, over their

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

estimated useful lives. Components having value significant to the total cost of the asset and life different from that of the main asset are depreciated over its useful life. However, land is not depreciated. The useful lives so determined are as follows:

Assets	Estimated useful life
Lease hold land	Lease term (99 years)
Buildings	30 to 60 years
Plant and machinery	9 to 40 years
Furniture and fixtures	10 years
Office equipment	10 years
Vehicles	8 to 10 years

Depreciation on property, plant and equipment has been provided in the accounts based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013. Certain assets are depreciated over the useful life decided by the management based on estimate by the domain experts. The said useful life is less then prescribed by the schedule II of the Companies Act, 2013. Written down method is used for Depreciation calculation except Plant and Machinery. Plant and Machinery has been depreciated on Straight Line Basis.

Depreciation on additions is calculated on pro rata basis with reference to the date of addition.

Depreciation on assets sold/ discarded, during the period, has been provided up to the preceding month of sale / discarded.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end 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 gains / (losses).

I. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measure reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

J. Intangibles

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

K. Inventories

Inventories are valued at the lower of cost and net realizable value.

1. Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
2. Finished goods and work in progress: cost includes cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on lower of cost or net realizable value.
3. Stores and spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. An item of spare parts that does not meet the definition of 'property, plant and equipment' has to be recognized as a part of inventories.
4. Fuel: cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

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

L. Investment in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognized at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

M. Financial Instruments

1. Financial assets

i. Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

a. Debt instruments at amortized cost

b. Debt instruments at fair value through other comprehensive income (FVTOCI)

c. Financial assets at fair value through profit or loss (FVTPL)

d. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

iii. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

iv. Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

v. Financial instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

vi. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

vii. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized (i.e. removed from the company's balance sheet) when:

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

b. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

a) the company has transferred substantially all the risks and rewards of the asset, or

b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

viii. Impairment of financial assets

The company assesses impairment based on expected credit loss (ECL) model to the following:

a. Financial assets measured at amortized cost;

b. Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The company follows 'simplified approach' for recognition of impairment loss allowance on:

a. Trade receivables or contract revenue receivables; and

Under the simplified approach, the company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

ix. Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

2. Financial liabilities

i. Initial recognition and measurement

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

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

i. Subsequent measurement

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

a. Financial liabilities at fair value through profit or loss

b. Loans and borrowings

c. Financial guarantee contracts

ii. Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The company has not designated any financial liability as at fair value through profit and loss.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

iii. **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

iv. **Financial guarantee contracts**

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

When guarantees in relation to loans or other payables of associates are provided for no compensation the fair values are accounted for as contributions and recognized as part of the cost of the investment.

v. **Preference shares**

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognized in profit or loss as finance costs.

vi. **Derecognition**

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

3. **Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

N. **Impairment of non-financial assets**

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is determined:

i. In case of individual asset, at higher of the fair value less cost to sell and value in use; and

ii. In case of cash-generating unit (accompany of assets that generates identified, independent cash flows), at the higher of the cash-generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

O. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

P. Segment accounting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter Segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

The Company is primarily engaged in the business of manufacturing, distribution and marketing of textile product. These, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute single business segment.

Q. Provisions, Contingent liabilities, Contingent assets and Commitments

General

Provisions are recognized 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. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of:

1. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
2. A present obligation arising from the past events, when no reliable estimate is possible;
3. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

The company provides for the expenses to reclaim the quarries used for mining. The total estimate of reclamation expenses is apportioned over the estimate of mineral reserves and a provision is made based on the minerals extracted during the year. Mines reclamation expenses are incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenditure.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

R. Dividend

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized, and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The interim dividends declared during the year are approved by the Board of Directors.

S. Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been arrived at, assuming that the proceeds receivable was based on shares having been issued at the average market value of the outstanding shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

T. Use of estimates and judgements

The presentation of the financial statements is in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 33–Current tax

Note 38–Measurement of defined benefit obligations

Note 41 – Fair valuation of unlisted securities

U. Statement of cash flows

Cash flow are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the company are segregated.

V. Current and non-current classification

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

i. Expected to be realized or intended to be sold or consumed in normal operating cycle;

ii. Held primarily for the purpose of trading;

iii. Expected to be realized within twelve months after the reporting period, or

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

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle;

ii. It is held primarily for the purpose of trading;

iii. It is due to be settled within twelve months after the reporting period, or

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

v. Some current liabilities, such as trade payables and some accruals for employee and other operating costs, are part of the working capital used in the entity's normal operating cycle. An entity classifies such operating items as current liabilities even if they are due to be settled more than twelve months after the reporting period.

All other liabilities are classified as non-current.

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

Operating Cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

W. Foreign currency translation

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

X. Fair value measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

i. Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.

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

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The company's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The Valuation Committee comprises of the head of the investment properties segment, heads of the company's internal mergers and acquisitions team, the head of the

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

risk management department, financial controllers and chief finance officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the Valuation Committee after discussion with and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Valuation Committee and the Company's external valuers present the valuation results to the Audit Committee and the company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

i. Disclosures for valuation methods, significant estimates and assumptions.

ii. zQuantitative disclosures of fair value measurement hierarchy.

iii. Investment in unquoted equity shares (discontinued operations).

iv. Financial instruments (including those carried at amortized cost).

Y. Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

Z. Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirements of Schedule III, unless otherwise stated.

AA. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 –

   The amendment relates to classification of liabilities as current or noncurrent and non-current liabilities with covenants.

   In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance.

   The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification

   criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments:

   Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Note–2 : PROPERTY, PLANT AND EQUIPMENT

Particulars	GROSS BLOCK (At carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 1st April, 2025	Additions during the year	Disposal during the year	As at 31st March, 2026	As at 1st April, 2025	Charge for the year	Disposal during the year	As at 31st March, 2026	As at 31st March, 2026	As at 31st March, 2025
1. Freehold land	-	-	-	-	-	-	-	-	-	-
2. Leasehold land	10.98	-	-	10.98	0.93	0.11	-	1.04	9.93	10.04
3. Building	64.08	-	-	64.08	31.91	3.06	-	34.96	29.12	32.17
4. Plant & Equipments	229.90	2.78	-	232.68	138.94	20.14	-	159.09	73.60	90.96
5. Furniture & Fittings	8.45	0.17	-	8.62	5.02	1.34	-	6.36	2.26	3.43
6. Office Equipments	2.47	0.29	-	2.75	1.93	0.30	-	2.23	0.53	0.54
7. Vehicles*	9.30	0.06	(0.04)	9.33	6.66	0.75	(0.03)	7.38	1.94	2.64
Total	325.17	3.30	(0.04)	328.44	185.39	25.71	(0.03)	211.07	117.37	139.79

Particulars	GROSS BLOCK (At carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 1st April, 2024	Additions during the year	Disposal during the year	As at 31st March, 2025	As at 1st April, 2024	Charge for the year	Disposal during the year	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
1. Freehold land	-	-	-	-	-	-	-	-	-	-
2. Leasehold land	10.98	-	-	10.98	0.82	0.11	-	0.93	10.04	10.15
3. Building	64.08	-	-	64.08	28.53	3.38	-	31.91	32.17	35.55
4. Plant & Equipments	226.61	3.30	-	229.90	117.61	21.33	-	138.94	90.96	109.03
5. Furniture & Fittings	5.35	3.10	-	8.45	3.80	1.22	-	5.02	3.43	1.52
6. Office Equipments	1.98	0.48	-	2.47	1.77	0.16	-	1.93	0.54	0.22
7. Vehicles*	7.62	1.93	(0.25)	9.30	6.20	0.69	(0.23)	6.66	2.64	1.42
Total	316.62	8.81	(0.25)	325.17	158.73	26.89	(0.23)	185.39	139.79	157.89

Notes :

1 Refer Note no.35 for information on property, plant and equipment hypothecated/mortgaged as security by the Company.

2 All assets are in the name of company other than Leasehold Land.

*During the year, the vehicle classified under Investment Property has been regrouped and reclassified under Property, Plant and Equipment.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note–2A : CAPITAL WORK-IN-PROGRESS

Particulars	As at 1st April, 2025	Additions during the year	Transfer during the year	As at 31st March, 2026
Capital Work-in-Progress	–	0.39	–	0.39

Particulars	As at 1st April, 2024	Additions during the year	Transfer during the year	As at 31st March, 2025
Capital Work-in-Progress	1.93	-	(1.93)	-

Capital Work-in-Progress Ageing Schedule

As at 31st March, 2026

CWIP	Amount in CWIP for a period				
	Less Than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
Project in progress–Growth Projects	0.39	–	–	–	0.39
Project temporarily suspended	–	–	–	–	–

As at 31st March, 2025

CWIP	Amount in CWIP for a period				
	Less Than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
Project in progress–Growth Projects	-	-	–	–	-
Project temporarily suspended	-	-	–	–	-

Note :

1. Refer Note no.35 for information on capital work-in progress hypothecated as security by the Company.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note-2B : INVESTMENT PROPERTY

Particulars	GROSS BLOCK (At carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 1st April, 2025	Additions during the year	Disposal during the year	As at 31st March, 2026	As at 1st April, 2025	Charge for the year	Disposal during the year	As at 31st March, 2026	As at 31st March, 2026	As at 31st March, 2025
1. Freehold land	6.65	-	-	6.65	-	-	-	-	6.65	6.65
2. Factory Building	19.75	-	-	19.75	15.24	0.44	-	15.67	4.08	4.52
3. Building	0.37	-	-	0.37	0.09	0.03	-	0.11	0.26	0.29
4. Plant & Equipments	134.13	0.02	(0.77)	133.38	89.29	5.40	(0.60)	94.08	39.29	44.83
5. Furniture & Fittings	4.04	-	-	4.04	3.58	0.03	-	3.61	0.43	0.45
6. Office Equipments	1.88	-	-	1.88	1.81	0.04	-	1.84	0.03	0.07
7. Vehicles*	-	-	-	-	-	-	-	-	-	-
Total	**166.81**	**0.02**	**(0.77)**	**166.06**	**110.00**	**5.92**	**(0.60)**	**115.32**	**50.74**	**56.81**

Particulars	GROSS BLOCK (At carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 1st April, 2024	Additions during the year	Disposal during the year	As at 31st March, 2025	As at 1st April, 2024	Charge for the year	Disposal during the year	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
1. Freehold land	6.65	-	-	6.65	-	-	-	-	6.65	6.65
2. Leasehold land	19.75	-	-	19.75	14.75	0.49	-	15.24	4.52	5.01
3. Building	0.37	-	-	0.37	0.06	0.03	-	0.09	0.29	0.32
4. Plant & Equipments	130.32	3.81	-	134.13	83.58	5.71	-	89.29	44.83	46.74
5. Furniture & Fittings	4.04	-	(0.00)	4.04	3.55	0.03	-	3.58	0.45	0.49
6. Office Equipments	1.88	-	-	1.88	1.76	0.04	-	1.81	0.07	0.11
7. Vehicles*	-	-	-	-	-	-	-	-	-	-
Total	**163.01**	**3.81**	**(0.00)**	**166.81**	**103.70**	**6.30**	**-**	**110.00**	**56.81**	**59.31**

Note :

1. Fair value of Building under investment property as on 31st March, 2026 is ₹ 3.77 Cr and 31st March, 2025 is ₹ 3.78 Cr .

2. Refer Note no.35 for information on capital work-in progress hypothecated/mortgaged as security by the Company.

*During the year, the vehicle classified under Investment Property has been regrouped and reclassified under Property, Plant and Equipment.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note-3 : NON-CURRENT FINANCIAL ASSETS-INVESTMENTS

Numbers 31-03-2026	Numbers 31-03-2025	Particulars	As at 31st March, 2026	As at 31st March, 2025
Investment in quoted Equity instruments				
Investment in equity shares (Fully paid up) accounted through other comprehensive income				
20000	20000	Equity Shares of GSL Nova Petrochemicals Ltd of Rs 5 Each	₹ 10,600	₹ 10,600
10000	10000	Equity Shares of True Green Bio Energy Ltd (Previously Known as CIL Nova Petrochemicals Ltd) of Rs 10 Each	0.14	0.03
Total : A			**0.14**	**0.03**
Investment in Un-quoted Equity instruments				
Investment in equity shares (Fully paid up) accounted through other comprehensive income at Fair Value				
880000	440000	Equity Shares of Dholi Spintex Pvt Ltd of ₹10 Each	18.04	8.99
35000	35000	Equity Shares of Prakash Calender Pvt Ltd of ₹10 Each	0.12	0.12
1500	1500	Equity Shares of Deepak Impex Pvt Ltd of ₹100 Each	0.01	₹ 9,834
20250	20250	Equity Shares of Chiripal Industries Ltd of ₹10 Each	0.53	0.50
303419	303419	Equity Shares of Grew Energy Pvt. Ltd. of ₹10 Each	16.66	3.29
Investment in equity shares (Fully paid up) (At Cost)				
-	44	Equity Shares of Ellisbridge Co-op Bank Ltd of ₹25 Each	-	₹ 1,100
-	4	Equity Shares of Nutan Nagrik Sahakari Bank Ltd of ₹25 Each	-	₹ 100
Investment in Un-quoted Preference shares				
Investment in preference shares (Fully paid up) accounted through Profit & Loss account at Fair Value				
500000	500000	0.01% Non Cumulative Convertible Preference Shares of Dholi Spintex Pvt Ltd of ₹ 125Each	10.25	10.21
Total : B			**45.61**	**23.11**
Investment in Unquoted Equity Instruments Associate Entities (At Cost)				
1586325	1586325	Equity Shares of Chiripal Textile Mills Pvt. Ltd. of ₹10 Each	21.27	21.27
3528100	1000000	Equity Shares of Nandan Industries Pvt Ltd of ₹70 Each	9.00	2.50
2208000	736000	Equity Shares of Quality Exim Pvt Ltd of ₹125 Each	7.10	7.10
Investment in Unquoted preference shares (At Cost)				
332000	332000	0.01% Non Cumulative Convertible Preference Shares of Quality Exim Pvt Ltd of ₹ 125 Each	3.95	3.95
275000	275000	0.01% Non Cumulative Convertible Preference Shares of Nandan Industries Pvt Ltd of ₹ 70 Each	1.79	1.79
Total : C			**43.11**	**36.61**
Total : A+B+C			**88.86**	**59.75**
Aggregate amount of quoted investments			0.14	0.03
Aggregate market value of quoted investments			0.14	0.03
Aggregate amount of unquoted investments			88.72	59.72
Aggregate amount of impairment in value of investments			₹1,200	-

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note :

1 Investments at fair value through other comprehensive income reflect investment in quoted and un quoted equity instruments. Refer note no. 41 for detailed disclosure on fair values

2 Refer note no. 40 Related Party disclosure.

3 Refer note no. 53 for Investment in Associates Entities

Note-4: NON-CURRENT FINANCIAL ASSETS-OTHERS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Bank deposit with original maturity more than 12 months	0.60	0.13
Security Deposits	0.65	0.52
Total	**1.24**	**0.65**

Notes :

1 Earmarked balances with Banks 0.60 0.13

2 Refer Note No.42 to 44 to for credit risk, liquidity risk and market risk for non current financial assets-others

3 Refer Note no.35 for information on Bank Deposits hypothecated as security by the Company.

Note-5: OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Capital advances	0.75	0.75
Total	**0.75**	**0.75**

Note:

1 Refer note no 35 for Capital Advances as hypothecated by the Company.

Note-6 : CURRENT FINANCIAL ASSETS-INVESTMENT

Particulars	As at 31st March, 2026	As at 31st March, 2025
Investment in Mutual Fund (149982.501 Units having Face Value 9.1037 and PY "Nil")	0.14	0.75
Total	**0.14**	**0.75**

Note:

1 Refer note no.42 to 44 for credit risk, liquidity risk and market risk for current financial assets.

2 Refer note no.35 for Bank Deposits hypothecated as security by the Company.

Note-7: INVENTORIES

Particulars	As at 31st March, 2026	As at 31st March, 2025
Raw materials & Packaging materials	23.07	31.51
Work-in-progress	12.01	12.75
Finished goods	24.32	67.01
Stores and spares	3.84	3.80
Total	**63.23**	**115.08**

Notes :

1 Refer Material accounting policy No. 1 for inventory

2 Refer note no.35 for Inventory hypothecated as security by the Company.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note-8: CURRENT FINANCIAL ASSETS-TRADE RECEIVABLES

Particulars	As at 31st March, 2026	As at 31st March, 2026
Trade Receivable Secured, considered good	-	-
Trade Receivable Unsecured, considered good	640.79	519.87
Trade Receivable Unsecured, considered good from related parties (Refer note no. 40)	7.07	6.47
Trade Receivable Unsecured, credit impaired	0.39	-
	648.25	**526.34**
Less: Allowance for credit impairment	0.39	-
Total	**647.85**	**526.34**

Notes:

1 Refer note no.42 to 44 for credit risk, liquidity risk and market risk for current financial assets.

2 Refer note no.35 for Trade Receivables hypothecated as security by the Company.

Trade receivables ageing schedule for current year and previous year

As at 31st March, 2026

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables considered good	333.25	289.83	3.07	1.90	3.55	16.65	648.25
Undisputed Trade receivables considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivables considered good	-	-	-	-	-	-	-
Disputed Trade receivables considered doubtful	-	-	-	-	-	-	-
Total	333.25	289.83	3.07	1.90	3.55	16.65	648.25

As at 31st March, 2025

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables considered good	339.07	135.03	8.55	27.02	1.28	15.39	526.34
Undisputed Trade receivables considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivables considered good	-	-	-	-	-	-	-
Disputed Trade receivables considered doubtful	-	-	-	-	-	-	-
Total	**339.07**	**135.03**	**8.55**	**27.02**	**1.28**	**15.39**	**526.34**

Note-9: CURRENT FINANCIAL ASSETS-CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash and cash equivalents		
Balance with banks		
In current accounts	0.02	0.12
Cash on hand	0.06	0.09
Total	**0.09**	**0.20**

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note:

1 Refer note no.42 to 44 for credit risk, liquidity risk and market risk for current financial assets.

2 Refer note no.35 for Current Financial Assets–Cash and Cash Equivalents hypothecated as security by the Company.

Note–10: CURRENT FINANCIAL ASSETS–OTHER BANK BALANCES

Particulars	As at 31st March, 2026	As at 31st March, 2025
Other bank balances		
Deposit accounts	12.78	11.18
(with original maturity more than 3 months but less than 12 months)		
Total	**12.78**	**11.18**

Notes:

1 Earmarked balances with Banks

2 Refer note no.42 to 44 for credit risk, liquidity risk and market risk for current financial assets.

3 Refer note no.35 for Bank Deposits hypothecated as security by the Company.

Note–11: OTHER CURRENT ASSETS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Advances to suppliers	16.38	15.02
Balance with statutory authorities	8.49	5.93
Prepaid expenses	3.41	2.43
Others	0.40	–
Advance against investment (refer note 2 below)	3.00	6.50
Total	**31.68**	**29.88**

Note:

1 Refer note no.35 for Other Current Assets hypothecated as security by the Company.

2 I) During FY 2024-25, the Company has paid an advance of 6.50 Crores to shareholder of Nandan Industries Private Ltd. for the proposed acquisition of equity shares. As of the reporting date, the shares have not been transferred, and therefore, the amount has been presented as an advance under Other Current Assets.

II) During FY 2025-26, the Company has paid an advance of 3.00 Crores to shareholder of Srikunj Weaving Private Limited for the proposed acquisition of shares . As of the reporting date, the shares have not been transferred, and therefore, the amount has been presented as an advance underz Other Current Assets.

Note–12: Equity Share Capital

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number of shares	Amount	Number of shares	Amount
AUTHORISED				
Equity Shares of ₹ 5 each	300000000	150.00	300000000	150.00
	300000000	**150.00**	**300000000**	**150.00**
ISSUED AND SUBSCRIBED				
Equity Shares of ₹ 5 each	247610003	123.81	197610003	98.81
FULLY PAID UP				
Equity Shares of ₹ 5 each	247610003	123.81	197610003	98.81
	247610003	**123.81**	**197610003**	**98.81**

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

1 **Reconciliation of Number of Equity Shares Outstanding at the Beginning and at the end of the year**

Particulars	2025-26		2024-25	
	Number of shares	Amount	Number of shares	Amount
Opening Balance	197610003	98.81	197610003	98.81
Bonus Share issued during the year	-	-	-	-
Total Shares	**197610003**	**98.81**	**197610003**	**98.81**
Increase in Equity Shares on Conversion of Share Warrants into Equity Shares	50000000	25.00	0	-
Closing Balance	**247610003**	**123.81**	**197610003**	**98.81**

2 The Company has only one class of equity shares having a par value of ₹5 per share

3 Each shareholder of equity shares is entitled to one vote per share.

4 In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

5 **The details of Shareholders holding more than 5 % of Shares**

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of shares held	% of Total paid up Equity Share Capital	Number of shares	% of Total paid up Equity Share Capital
Equity shares				
1. Chiripal Industries Limited	57294000	23.14%	57294000	23.14%
2. Chiripal Exim LLP	12622350	5.10%	12622350	5.10%
3. Elysian Wealth Fund	15000000	6.06%	-	0.00%

6 **Equity Shares held by the promoters at the end of the year**

Sr. No.	Name of promoter	As at 31st March, 2026			As at 31st March, 2025		
		No of shares	% of total shares	% change during the year	No of shares	% of total shares	%change during the year
1	Brijmohan D Chiripal	7483500	3.02%	0.00%	7483500	3.79%	0.00%
2	Savitridevi V Chiripal	4067226	1.64%	0.00%	4067226	2.06%	0.00%
3	Pritidevi B Chiripal	3413997	1.38%	0.00%	3413997	1.73%	0.00%
4	Manjudevi Jaiprakash Chiripal	2358000	0.95%	0.00%	2358000	1.19%	0.00%
5	Vineeta Chiripal	2169300	0.88%	0.00%	2169300	1.10%	0.00%
6	Vishal V Chiripal	2091996	0.84%	0.00%	2091996	1.06%	0.00%
7	Urmiladevi Jyotiprasad Chiripal	2244000	0.91%	0.00%	2244000	1.14%	23.84%
8	Deepak J Chiripal	1512000	0.61%	0.00%	1512000	0.77%	0.00%
9	Aayushi Jaiprakash Agarwal	1332000	0.54%	-0.50%	1338746	0.68%	0.00%
10	Jaiprakash D Chiripal	1332000	0.54%	0.00%	1332000	0.67%	0.00%
11	Jyotiprasad D Chiripal	1332000	0.54%	0.00%	1332000	0.67%	0.00%
12	Nitika Deepak Chiripal	1332000	0.54%	0.00%	1332000	0.67%	0.00%
13	Nishi J Agarwal	648000	0.26%	-2.41%	664000	0.34%	0.00%
14	Shiwani V. Chiripal	648000	0.26%	0.00%	648000	0.33%	0.00%
15	Ronak B Agarwal	316689	0.13%	0.00%	316689	0.16%	0.00%

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Sr. No.	Name of promoter	As at 31st March, 2026			As at 31st March, 2025		
		No of shares	% of total shares	% change during the year	No of shares	% of total shares	%change during the year
16	Priyanka Brijmohan Chiripal	257850	0.10%	0.00%	257850	0.13%	0.00%
17	Jaiprakash Chiripal– UNITY TRUST	100	0.00%	0.00%	100	0.00%	0.00%
18	Chiripal Industries Limited	57294000	23.14%	0.00%	57294000	28.99%	0.00%
19	Chiripal Exim Llp	12622350	5.10%	0.00%	12622350	6.39%	0.00%
20	Tripoli Management Private Limited	8082225	3.26%	0.00%	8082225	4.09%	0.00%
21	Devkinandan Corporation Llp	7074000	2.86%	0.00%	7074000	3.58%	0.00%
22	Nandan Corporation Llp	5711235	2.31%	0.00%	5711235	2.89%	0.00%
23	Chiripal Textile Mills Private Limited	2200000	0.89%	0.00%	2200000	1.11%	0.00%
24	Quality Exim Private Limited	2118686	0.86%	0.00%	2118686	1.07%	0.00%
25	Nandan Industries Private Limited	1297500	0.52%	0.00%	1297500	0.66%	0.00%
26	Vedprakash Chiripal	7386177	2.98%	0.00%	7386177	3.74%	0.00%
27	Brijmohan Devkinandan Chiripal (On behalf of Brij Trust)	100	0.00%	0.00%	100	0.00%	0.00%
28	Jaiprakash Chiripal (On behalf of Jai Trust)	100	0.00%	0.00%	100	0.00%	0.00%
29	Jyotiprasad Devkinandan Chiripal (On behalf of Jyoti Trust)	100	0.00%	0.00%	100	0.00%	0.00%
30	Vedprakash Devkinandan Chiripal (On behalf of Ved Trust)	100	0.00%	0.00%	100	0.00%	0.00%
	Total promoter shares holding	**136325231**	**55.06%**		**136347977**	**69.00%**	

Note–13 : OTHER EQUITY

Particulars	As at 31st March, 2026	As at 31st March, 2025
Security Premium		
Opening balance	15.22	15.22
Add : Received during year	127.92	–
Closing balance	**143.14**	**15.22**
Retained Earnings		
Opening balance	313.88	290.04
Add : Profit for the year	32.18	23.84
Closing Balance	**346.05**	**313.88**
Other Comprehensive Income		
Opening balance	7.95	7.95

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Particulars	As at 31st March, 2026	As at 31st March, 2025
Add:		
Due to increase in Fair Value of Equity Instruments	16.89	(0.05)
Due to Remeasurement of defined benefit plants	0.21	0.06
Closing balance	**25.05**	**7.95**
Total	**514.25**	**337.05**

Notes:

Description of nature and purpose of each reserve:

1 **Security Premium**

The amount received in excess of face value of the equity shares is recognised in equity security premium.

2 **Retained Earnings**

Retained earnings are the profits/losses that the Company has earned till date less any transfer to other reserves, dividends or other distributions to shareholders.

3 **Other Comprehensive income**

a) The fair value change of the equity instruments measured at fair value through other comprehensive income is recognised in equity instruments through Other Comprehensive income.

b) The remeasurement gain/(loss) on net defined plan is recognised in Other Comprehensive Income net of Tax.

Note-14 : Money Received Against Share Warrants

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening balance of Money received against Share Warrants	38.17	-
Add: Money received against Share Warrants (Refer Note no 1 below)	114.75	38.17
Less: On Conversion of Share Warrants to Equity Shares (Refer Note no 2 below)	(152.92)	-
Total	-	38.17

Notes:

1 **Share Application money received**

a) The company had issued 5,00,00,000 Complusorily Convertible equity warrants having Face value of Rs 5.00 Each (warrants)in FY 2024-25 by way of preferential issue for issue price of ₹ 30.60 per warrant including premium of Rs 25.60 per warrant upon receipt of amount aggregating to ₹ 38.25 crore at the rate of Rs 7.65 per warrant.(being 25% of issue price of Rs 30.60)

b) The above warrants entitle the allottee to apply for and be allotted equal number of equity shares for each warrant held by them on payment of balance 75% of the issue price within 18 months from the date of issue of these warrants.

2 **During the FY 2025-26 upon the receipt of the balance 75% of the issue price from the allottees, the company converted 5,00,00,000 equity warrants into the Equity shares.**

Note-15: NON-CURRENT FINANCIAL LIABILITIES-BORROWINGS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured		
Term Loans from Banks (Refer note no. 1 to 3 below)	22.50	30.01
Unsecured		
Inter corporate deposits (Refer note no. 4 below)	6.41	54.50
Total	**28.91**	**84.51**

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Notes:

Sr. No.	Particulars	As at 31st March, 2026		As at 31st March, 2025	
		Non Current	Current	Non Current	Current
1	The company has availed Lease Rental Discounting facility of ₹ 50 crore from Bandhan Bank. The same is secured against first charge of assets lying at Narol, Ahmedabad and future lease rental receivable from M/s Texworld Fashion Private Limited.	20.19	7.14	26.53	7.14
2	SBI Term Loan (Solar Roof Top)	1.61	0.54	2.15	0.54
	Security :- 1) secured against exclusive charge over Machinery & Equipment of Roof Top solar installed on factory premises(hypothecation) .2) Personal Guarantee :- Mr. Ved Prakash Chiripal, Jyotiprasad Chiripal , Brijmohan Chiripal & Jaiprakash Chiripal.				
	Repayment Terms :- loan will be repaid in 75 equal Instalment of ₹ 425000/- starting from March 2024 and last installment of Rs 225000/- will be paid in June 2030.				
	Effective Interest Rate :-0.70% above 6 months MCLR(Present MCLR=8.90%) i.e ROI=9.60%				
3	Vehicles Loans are secured by hypothecation of vehicles in favour of Bank and other terms as prescribe by the respective banks. Effective rate of interest is 8.85 % to 9.53 % p.a	0.70	0.63	1.32	0.77
4	Unsecured Inter corporate deposit is repayable after more then one year. The said loan is interest free.	6.41	–	54.50	–

5 Refer note no.42 to 44 for credit risk, liquidity risk and market risk for current financial liability.

6 The company has complied few covenants for loan.

7 As at March 31, 2026, the register of charges of the Company as available in records of the Ministry of Corporate Affairs (MCA) includes charges that were created/modified since the inception of the company.

Note-16 : NON-CURRENT FINANCIAL LIABILITIES-OTHERS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Creditors for capital expenditure	0.44	0.73
Security deposit for Lease Rental Service	8.00	10.00
Total	**8.44**	**10.73**

Note-17 : PROVISIONS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for employee benefits (Refer note no.38)	1.29	1.31
Total	**1.29**	**1.31**

Note-18 : DEFERRED TAX ASSETS/LIABILITIES (Net)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Liability		
On Property, plant and equipment and investment property	13.14	17.43
On Fair value of investments in equity instruments	6.81	1.13

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Particulars	As at 31st March, 2026	As at 31st March, 2025
On Fair value of investments in Preference instruments	0.48	0.47
On Amortisation of borrowing cost	0.00	0.02
Total Deferred Tax Liabilities	20.43	19.05
Deferred Tax Assets		
On Employee Benefits	0.93	0.87
On Finance Expenses	0.01	0.01
On Fair value of investments in Mutual Funds	0.01	-
Total Deferred Tax Assets	0.95	0.88
Total	**19.47**	**18.17**

Note-19 : CURRENT FINANCIAL LIABILITIES-BORROWINGS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured		
Cash credit facility (Refer note no. 1 & 2 below)	171.39	164.71
ECLGS Facility (Emergency Credit Line Guarantee Scheme) (Refer note no. 3 below)	16.83	34.72
Current Maturity of Term Loans (Refer note no. 15)	8.31	8.45
Total	**196.54**	**207.89**

Notes :

1 The Cash Credit facility and packaging credit facility from banks ₹ 171.39 crore (P.Y 164.71 crore) is secured against first paripasu charge on entire current assets of the company present and future. Second paripasu charge on entire fixed assets of the company. The working capital loan is secured by personal guarantees of promoters namely Mr. Brijmohan D Chiripal, Mr. Ved Prakash Chiripal, Mr. Jyoti Prasad Chiripal and Mr. Jai Prakash Chiripal and by corporate guarantee of M/s Prakash calender Pvt Ltd and M/s Bhushan petrofills pvt. ltd. and Pledge of 10% promoters' holding in the name of Promoter guarantors as on 30th September 2018. i.e 29,92,099 equity shares of the company, As on 31.03.2026, 1,75,33,677 equity shares (PY 1,75,33,677 equity shares) of the promoter.

2 Effective interest rate of cash credit facility is in range of 8.65% p.a to 10.00% p.a (P.Y 9.50 % to 10.00%)

3 Effective interest rate of ECLGS facility is in range of 8.65% p.a to 9.25% p.a (P.Y 8.90% p.a. to 9.25%)

4 Details submitted to lenders on quarterly basis are in conformity with books of accounts.

5 Refer note no.42 to 44 for credit risk, liquidity risk and market risk for current financial liability

Note-20 : CURRENT FINANCIAL LIABILITIES-TRADE PAYABLE

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade Payables		
-For Micro and Small Enterprises for Goods (Refer note no. 39)	14.31	8.60
-For Micro and Small Enterprises for Services (Refer note no. 39)	0.02	0.15
-Other than Micro and Small Enterprises	88.20	116.89
Total	102.53	125.63

Note:

1 Details of Dues to Micro, Small & Medium Enterprises as defined under MSMED Act, 2006 This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Disclosure relating to aging of Trade payable for current and previous year

As at 31St March, 2026

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro and Small Enterprises	14.33	–	–	–	–	14.33
Others	71.83	16.36	0.00	–	–	88.20
Disputed Micro and Small Enterprises	–	–	–	–	–	–
Disputed Others	–	–	–	–	–	–
Total	**86.17**	**16.36**	**0.00**	**–**	**–**	**102.53**

As at 31St March, 2025

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro and Small Enterprises	5.55	3.20	–	–	–	8.75
Others	4.67	112.15	0.07	–	–	116.89
Disputed Micro and Small Enterprises	–	–	–	–	–	–
Disputed Others	–	–	–	–	–	–
Total	**10.21**	**115.35**	**0.07**	**–**	**–**	**125.63**

Note–21 : OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2026	As at 31st March, 2025
Advance received from customers	0.66	0.29
Statutory liabilities	0.33	0.47
Security Deposit	3.00	-
Other	2.33	1.84
Total	**6.32**	**2.60**

Note–22 : PROVISIONS

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for employee Benefits (Refer note no 38)	1.28	2.08
Total	**1.28**	**2.08**

Note–23 : CURRENT TAX LIABILITIES (NET)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Income Tax Provision	15.40	15.63
Less: Taxes Paid	(3.12)	(2.13)
Total	**12.28**	**13.50**

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note:

A) Disaggregated Revenue Information

Set out below is the disaggregation of the company's revenue from contracts with customers:

Segment	For the year ended March 31, 2026	For the year ended March 31, 2025
	Textiles	Textiles
Type of goods or service		
Sale of manufactured goods		
Textile Products	1,578.64	1,496.97
Sale of Services		
Job Work Charges	3.82	6.30
Other Operating Revenue		
Scrap Sale	4.42	4.40
Store Sale	0.03	0.16
Lease rental	15.19	12.00
Total revenue from contracts with customers	**1,602.11**	**1,519.83**
India	1,600.91	1,518.28
Outside India	1.20	1.56
Total revenue from contracts with customers	**1,602.11**	**1,519.83**
Timing of revenue recognition		
Goods transferred at a point in time	-	-
Total revenue from contracts with customers	**1,602.11**	**1,519.83**

Set out below, is the reconciliation of the renew from contracts with customers with the amounts disclosed in the segment information

Segment	For the year ended March 31, 2026	For the year ended March 31, 2025
	Textiles	Textiles
Revenue		
External customer	1,602.11	1,519.83
Inter-segment	-	-
Inter-segment adjustment and elimination	-	-
Total revenue from contracts with customers	**1,602.11**	**1,519.83**

B) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables*	647.85	526.34
Contract liabilities	-	-
Advances from customers (refer note no.21)	0.66	0.29

*Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

C) **Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

Particulars	As at March 31, 2026	As at March 31, 2025
Revenue as per contracted price	1,620.10	1,534.57
Adjustments		
Discount	17.99	14.73
Revenue from contract with customers	**1,602.11**	**1,519.83**

D) **Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

Particulars	As at March 31, 2026	As at March 31, 2025
Advances from customers	0.66	0.29
Total	**0.66**	**0.29**

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

Note–24 : REVENUE FROM OPERATIONS

Particulars	As at March 31, 2026	As at March 31, 2025
A-Revenue from operations		
Sale of Products (Excluding all Taxes)		
-Finished Goods	1,578.64	1,496.97
	1,578.64	**1,496.97**
B-Sale of Services	3.82	6.30
C-Other operating revenues		
- Scrap Sale	4.42	4.40
- Store Sale	0.03	0.16
- Lease Rental	15.19	12.00
Total	**1,602.11**	**1,519.83**

Note - 25 : OTHER INCOME

Particulars	2025-26	2024-25
a- Interest income	0.87	0.90
b- Others	0.22	0.20
c- Gain on fair value of investment in preference shares	0.04	0.48
d-Profit on sale of Asset	0.01	0.02
Total	**1.15**	**1.60**

Note - 26 : COST OF MATERIALS CONSUMED

Particulars	2025-26	2024-25
Stock of Raw material and Packing material at the beginning of the year	35.31	27.74
Add: Purchases (net)	1,383.51	1,372.79
Less : Stock of Raw material and Packing material at the end of the year	26.90	35.31
Cost of Raw material Consumed (Including Packaging Materials)	**1,391.92**	**1,365.22**

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note - 27 : CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	2025-26	2024-25
Inventories at the beginning of the year:		
Finished goods	67.01	56.65
Total	**67.01**	**56.65**
Inventories at the end of the year:		
Finished goods	24.32	67.01
Total	**24.32**	**67.01**
Changes in inventories of finished goods	**42.69**	**(10.36)**

Note - 28 : CHANGES IN INVENTORIES OF STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	2025-26	2024-25
Inventories at the beginning of the year:		
Work-in-progress	12.75	9.58
Total	**12.75**	**9.58**
Inventories at the end of the year:		
Work-in-progress	12.01	12.75
Total	**12.01**	**12.75**
Changes in inventories of stock-in-trade and work-in-progress	**0.75**	**(3.17)**

Note - 29 : EMPLOYEE BENEFITS EXPENSE

Particulars	2025-26	2024-25
Salaries and wages	30.87	29.72
Contributions to provident and other funds (Refer note no.38)	0.22	0.53
Gratuity (Refer note no.38)	0.33	0.28
Leave Encashment (Refer note no.38)	0.07	0.01
Staff welfare expense	0.10	0.09
Total	**31.59**	**30.63**

Note - 30 : FINANCE COSTS

Particulars	2025-26	2024-25
Interest and finance charges on financial liabilities at fair value through profit or loss	23.12	26.43
Others	16.09	13.22
Total	**39.21**	**39.65**

Note - 31 : DEPRECIATION AND AMORTISATION EXPENSES

Particulars	2025-26	2024-25
Depreciation on property, plant and equipment (Refer note no.2)	25.71	26.89
Depreciation on Investment Property (Refer note no.2B)	5.92	6.30
Total	**31.63**	**33.20**

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note - 32 : OTHER EXPENSES

Particulars	2025-26	2024-25
Power and Fuel Expenses	2.49	2.63
Repairs and Maintenance		
To Building	0.01	0.01
To Machinery	1.55	1.54
To Others	1.80	1.66
	3.37	**3.21**
Insurance Expenses	0.90	0.87
Rates and taxes	0.91	0.90
Payments to auditors	0.17	0.14
Freight and transportation expenses	4.67	4.58
Donation	0.07	₹ 36,000
C S R Expenses (Refer note no. 48)	0.99	1.33
Dalali and commission	₹ 44,502	0.01
Loss on Sale of Assets	0.08	-
Other expenses	8.65	7.68
Total	**22.31**	**21.36**

Details of Payment to Auditors

Particulars	2025-26	2024-25
a) Auditor Remuneration		
I) Statutory Audit Fees	0.10	0.10
II) Tax Audit fees	0.03	0.03
III) For Other Services	0.03	₹ 20,000
b) Cost Audit Fees	0.01	0.01
Total	**0.17**	**0.14**

Note - 33 : TAX EXPENSES

Particulars	2025-26	2024-25
Current tax	15.40	15.70
Tax Expense related to Prior Year/paid/written back	(0.11)	(0.12)
Deferred tax	(4.31)	5.49
Total	**10.98**	**21.07**
Income tax relating to items that will not be classified to profit or loss	5.62	(₹ 4,318)
Income Tax recognized in OCI (B)	**5.62**	**(₹ 4,318)**
Total (A+B)	**16.60**	**21.07**

A. Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income tax is summarised below:

Particulars	2025-26	2024-25
Enacted income tax rate in India applicable to the Parent Company	25.62%	25.62%
Profit before tax	43.16	44.90
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	11.06	11.50
Tax effect of the amounts which are not deductible/ (taxable) in calculating taxable income		
Other deductible expenses	9.96	4.20
Deferred tax Expense (net)	(4.31)	5.49
Tax Expense related to Prior Year/paid/written back	(0.11)	(0.12)

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Particulars	2025-26	2024-25
Total tax expenses	**16.60**	**21.07**
Tax Expense related to Prior Year/paid/written back	-	-
Current year tax expense	16.60	21.07
Effective tax rate	**38.46%**	**46.93%**

B) Movement of Deferred tax assets and Liabilities

Deferred tax assets/(liabilities)

Particulars	As at 31st March 2026	As at 31st March 2025
Tax Liabilities due to temporary timing difference in respect of:		
Property, plant and equipment and investment property	13.14	17.43
Fair value of investments in equity instruments	6.81	1.13
Fair value of investments in Preference instruments	0.48	0.47
Amortisation of borrowing cost	0.00	0.02
Deferred tax liabilities	**20.43**	**19.05**
Tax Assets due to temporary timing difference in respect of:		
On Employee Benefits	0.93	0.87
On Finance Expenses	0.01	0.01
Others	0.01	-
Deferred tax Assets	**0.95**	**0.88**
Net deferred tax assets/(Liabilities)	**19.47**	**18.17**
Less : Opening Deferred Tax Liability	18.17	12.68
Deferred tax credit / (expense) for the year	**1.31**	**5.49**
Carried to statement of Profit and Loss	(4.31)	5.49
Carried to Other Comprehensive Income	5.62	(₹ 4,318)

As at 31st March 2026

Movement during the year ended 31st March 2026	As at 1st April 2025	Credit/(Charge) in the statement of profit and loss	Credit/ (Charge) in OCI	As at March 31, 2026
Property, plant and equipment and investment property	17.43	(4.29)	-	13.14
Fair value of investments in equity instruments	1.13	-	5.68	6.81
Fair value of investments in Preference instruments	0.47	0.01	-	0.48
Amortisation of borrowing cost	0.02	(0.02)	-	0.00
Leave encashment and gratuity	(0.87)	0.00	(0.06)	(0.93)
Finance Expenses	(0.01)	-	-	(0.01)
Fair value of investments in Mutual Funds	-	(0.01)	-	(0.01)
Net deferred tax assets/(liabilities)	**18.17**	**(4.31)**	**5.62**	**19.47**

As at 31st March 2025

Movement during the year ended 31st March 2025	As at 1st April 2024	Credit/(Charge) in the statement of profit and loss	Credit/ (Charge) in OCI	As at March 31, 2025
Property, plant and equipment and investment property	11.97	5.46	-	17.43
Fair value of investments in equity instruments	1.15	-	(0.02)	1.13
Fair value of investments in Preference instruments	0.34	0.12	-	0.47
Amortisation of borrowing cost	0.43	(0.41)	-	0.02
On Employee Benefits	-	(0.85)	(0.02)	(0.87)
On Finance Expenses	-	(0.01)	-	(0.01)
Others	(1.21)	1.21	-	-
Net deferred tax assets/(liabilities)	**12.68**	**5.53**	**(0.04)**	**18.17**

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note - 34 : STATEMENT OF OTHER COMPREHENSIVE INCOME

Particulars	2025-26	2024-25
(i) Items that will not be reclassified to profit or loss		
1. Equity Instruments through Other Comprehensive Income	22.57	(0.07)
2. Remeasurement of defined benefit plans		
Actuarial gains and losses	0.15	0.07
	22.72	**₹ 26,475**
(ii) Income tax relating to these items that will not be reclassified to profit or loss		
Deferred Tax impact on equity instruments through other comprehensive income	(5.68)	0.02
Deferred Tax impact on actuarial gains and losses	0.06	(0.02)
	(5.62)	**(₹ 4,318)**
Total	**17.10**	**₹ 22,157**

Note - 35 : Assets Mortgage/Hypothecated as security

The carrying amount of assets Mortgage/Hypothecated as security for current and non-current borrowings are:

Assets description	31st March 2026	31st March 2025
First and / or Second charge		
I. Current Financial Assets		
Trade receivables	647.85	526.34
Current Financial Assets - Cash And Cash Equivalents	0.09	0.20
Current Financial Assets - Other Bank Balances	12.78	11.18
II. Current Assets		
Inventories	63.23	115.08
Other Current Assets	31.82	29.88
Total current assets hypothecated as security	**755.77**	**682.68**
First and / or Second charge		
III Property, Plant and Equipment		
A. Plant and equipments	73.60	90.96
B. Freehold land	-	-
C. Buildings	29.12	32.17
D. Lease Hold Improvements	9.93	10.04
E. Furniture & Fittings	2.26	3.43
F. Office Equipments	0.53	0.54
G. Vehicles	1.94	2.64
IV. Capital work in progress	0.39	-
V. Investment Property (Refer Note No. 2B)	50.48	56.52
VI. Non Current Financial Assets		
Investment	88.86	59.75
Other Financial Assets	1.24	0.65
VII. Other Non Current Assets	0.75	0.75
Total non-current assets hypothecated as security	**259.09**	**257.46**
Total Assets hypothecated as Security	**1,014.86**	**940.15**

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note - 36 : Contingent assets / liabilities not provided for in accounts :

Contingent liabilities :

Sr. No.	Particular	As at 31st March 2026	As at 31st March 2025
A	**Claims against the company not acknowledged as debt**		
1	For letters of credit (net off Margin)	7.40	14.82
2	For bank guarantee (net off Margin)	1.55	1.55
3	Corporate Guarantee Given	3.24	3.58
B	**For Direct Tax**	**2.58**	**2.48**

Notes:

1 The company has reviewed all its pending litigations and proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The company does not expect the outcome of these proceedings to have materially adverse effect on its financial position. The company does not expect any reimbursement in respect of the above contingent liabilities.

2 The company has reviewed all its pending litigations and proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The company does not expect the outcome of these proceedings to have materially adverse effect on its financial position. The company does not expect any reimbursement in respect of the above contingent liabilities.

3 The Income Tax Department ("the Department") conducted a Search activity ("the Search" under Section 132 of the Income Tax Act) on the Company in July 2022. Subsequently, the Company has provided all support and cooperation and the necessary documents and data to the Department, as requested by the Department. The Company is examining and reviewing details of the matter and will take appropriate actions, including addressing regulatory actions, if and when they occur.

4 While the uncertainty exists regarding the outcome of the proceedings by the department, the Company after considering all available information and facts as of date, has not identified the need for any adjustments to the current or prior period financial statements.

Note 37

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components and for which discrete financial information is available. The Company's chief operating decision maker (CODM) is considered to the Company's Managing Director (MD). The Company is engaged in the business of Production of Yarn and Processing of Fabric which are widely used in Textile Unit. Information reported to and evaluated regularly by the CODM for the purposes of resource allocation and assessing performance focuses on the business as a whole and accordingly, in the context of Operating Segment as defined under the Indian Accounting Standard 108 'Segment Information', there is no separate reportable segment.

	As at 31st March 2026			As at 31st March 2025		
	India	Outside India	Total	India	Outside India	Total
Revenue from operations*						
External	1,600.91	1.20	1,602.11	1,518.28	1.56	1,519.83
Internal Segment	-	-	-	-	-	-
Total Revenue	**1,600.91**	**1.20**	**1,602.11**	**1,518.28**	**1.56**	**1,519.83**
Other Information**						
Carrying cost of segment non current assets@	259.35	-	259.35	257.75	-	257.75
carrying cost of segment assets	1,015.12	-	1,015.12	940.43	-	940.43
Addition to property plant and equipment including intangible assets and Investment Property	2.51	-	2.51	12.36	-	12.36

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note:

* Based on location of customer

**Based on location of assets

@Excluding financial assets, and deferred tax assets

None of the entity's external customer account for 10 per cent of more of an entity's revenue

Note - 38 : Employment Benefit Plans

The Parent company operates post employment and other long term employee benefits defined plans as follows:

I. Defined Contribution plan

Contribution to Defined Contribution Plan, recognised as expenses for the year are as under:

Particulars	2025-26	2024-25
Employer's Contribution to Provident Fund	0.22	0.53

II. Defined Benefit Plan

The employee's gratuity fund scheme managed by a Trust is defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service to build up the final obligation. The obligation for leave encashment is recognised in the same manner as for gratuity.

Description	31st March 2026		31st March 2025	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
A. Reconciliation of opening and closing balances of Defined Benefit obligation				
a. Obligation as at the beginning of the year	4.06	1.71	4.12	1.75
b. Other Adjustment	(0.04)	(1.62)	-	-
c. Current Service Cost	0.30	0.06	0.26	0.03
d. Interest Cost	0.08	0.01	0.09	0.01
e. Actuarial Gain/(Loss)	(1.22)	0.01	(0.07)	(0.06)
f. Benefits Paid	(0.10)	(0.01)	(0.33)	(0.01)
g. Past Service Cost	-	-	-	-
h. Obligation as at the end of the year	3.09	0.17	4.06	1.71
B. Reconciliation of opening and closing balances of fair value of plan assets				
a. Fair Value of Plan Assets as at the beginning of the year	0.73	-	0.99	-
b. Expected return on Plan Assets	0.05	-	0.07	-
c. Actuarial Gain/(Loss)	-	-	0.00	-
d. Employer's Contributions	0.00	-	-	-
e. Benefits Paid	(0.10)	-	(0.33)	-
f. Fair Value of Plan Assets as at the end of the year	0.68	-	0.73	-
C. Reconciliation of fair value of assets and obligation				
a. Fair Value of Plan Assets as at the end of the year	0.68	-	0.73	-
b. Present Value of Obligation as at the end of the year	3.09	0.17	4.06	1.71
c. Amount recognised in the Balance Sheet	2.40	0.17	3.33	1.71

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Description	31st March 2026		31st March 2025	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
D. Investment Details of Plan Assets				
Bank balance	-	-	-	-
Invested with Life Insurance Corporation of India	0.68	-	0.73	-
E. Actuarial Assumptions				
a. Discount Rate (per annum)	7.50%	7.00%	6.55% to 7.00%	7.00%
b. Estimated Rate of return on Plan Assets (per annum)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
c. Rate of escalation in salary (per annum)	6.00%	6.00%	6.00%	6.00%
F. Expenses recognised during the year				
Expenses recognised during the year				
(i). Current Service Cost	0.30	0.06	0.26	0.03
(ii). Interest Cost	0.08	0.01	0.09	0.01
(iii). Expected return on Plan Assets	(0.05)	-	(0.07)	-
(vI). Actuarial Gain/(Loss)	-	-	-	-
(v). Past Service Cost	-	-	-	-
(vi). Expense recognised during the year	0.33	0.07	0.28	0.04

Notes:

(i) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(ii) The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for management of plan assets.

G. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31st March 2026			
	Increase		Decrease	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (0.5% movement)	1.28	0.16	1.37	0.17
Salary growth rate (0.5% movement)	1.37	0.17	1.28	0.16

Particulars	31st March 2025			
	Increase		Decrease	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (0.5% movement)	1.12	0.12	1.30	0.13
Salary growth rate (0.5% movement)	1.30	0.12	1.12	0.13

Note:

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note - 39 : Due to Micro, Small and Medium Enterprises

Under the Micro Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 02.10.2006, certain disclosers are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below

Particulars	As at 31st March 2026	As at 31st March 2025
Principal amount remaining unpaid to any supplier as at the year end	14.33	8.75
Interest due thereon	-	-
Amount of interest paid by the Parent Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during year.	-	-
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.	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	-	-

Note - 40 : Related party disclosures as per Ind AS 24

The names of related parties with relationship to whom transactions have taken place during the year:

I. Relationship:

A. **Promoters having control over the Parent company**

Sr. no.	Name
1	Brijmohan D Chiripal
2	Jyotiprasad D Chiripal
3	Vedprakash D Chiripal
4	Jayprakash D Chiripal

B. **Entities over which Promoter exercise control**

Sr. no.	Name of the entity
1	Chiripal Textile Mills Private Limited
2	Dholi Spintex Private Limited
3	Hunky Dory Travel Private Limited
4	Nandan Industries Private Limited
5	Nandan Terry Limited
6	Nova Textile Private Limited
7	Deepak Impex Private Limited
8	Quality Exim Private Limited
9	Shanti Education Initiatives Limited
10	Bhavana Textiles Private Limited
11	Grew Renewables Private Limited
12	Shanti Shirting Private Limited
13	Chiripal Industries Limited
14	Nandan Corporation LLP
15	Srikunj Weaving Private Limited
16	Grew Energy Private Limited

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

C. Entities over which Promoter has Significant Influence

Sr. no.	Name of the entity
1	Chiripal Chartable Trust
2	Dholi Integrated Spinning Park Limited
3	Vraj Integrated Textile Park Limited
4	Nandan Denim Limited
5	Narol Textile Infrastructure & Inviro Management
6	Prakash Calender Private Limited
7	Shree Maharaja Agrasen Seva Sansthan
8	Chiripal Foundation
9	Milestone Educom Trust
10	Happiness Reserves Foundation
11	Shanti Exports Private Limited
12	Hexa Biochem Private Limited
13	Shanti Spintex Limited

D. Key Management Personnel:

Sr. no.	Particulars	Designation
1	Brijmohan D Chiripal	Managing Director
2	Pramodkumar Sharma	Whole Time Director (Till 29th May, 2024)
3	Arvind Pandey	Whole Time Director (From 29th May, 2024)
4	Ravindrakumar Bajaj	Whole Time Director
5	Sushanta Kumar Panda	Independent Director
6	Shubhnkar Jha	Independent Director (Till 30th September, 2024)
7	Dhara Shah	Independent Director (Till 30th September, 2024)
8	Ramkrishna Dash	Independent Director (From 1st October, 2024)
9	Roma Sanghani	Independent Director (From 1st October, 2024)
10	Vinay Thadani	Chief Executive Officer (Till 4th February, 2025)
11	Suketu Shah	Chief Executive Officer (From 5th February, 2025)
12	Dharmesh Dattani	Chief Financial Officer
13	Pooja Dhruve	Company Secretary (Till 24th April, 2025)
14	Dilip Nikhare	Company Secretary (From 25th June, 2025)
15	Nupur Bajaj	Relative of Director
16	Simran Bajaj	Relative of Director

E Key Management Personnel compensation:

Particulars	2025-26	2024-25
Short-term employee benefits	0.01	0.02
Long-term post employment benefits	0.02	0.01
Total compensation	**0.03**	**0.03**

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

II. The following transactions were carried out with the related parties referred in above in the ordinary course of business (excluding reimbursement):

B.	Entities over which Promoter exercise control	2025-26	2024-25
1	**Sale of goods/services**	**4.13**	**3.66**
	Nandan Terry Limited	2.52	2.32
	Dholi Spintex Private Limited	1.61	1.32
	Chiripal Industries Limited	-	0.02
2	**Purchase of materials/services**	**26.82**	**30.95**
	Hunky Dory Travel Private Limited	0.01	0.01
	Nandan Terry Limited	₹ 14,945	-
	Quality Exim Private Limited	0.06	0.06
	Nova Textile Private Limited	0.99	18.91
	Deepak Impex Private Limited	23.11	6.02
	Grew Renewables Private Limited	0.04	0.04
	Shanti Shirting Private Limited	0.09	-
	Srikunj Weaving Private Limited	0.61	4.05
	Brijmohan D Chiripal	0.30	0.30
	Pritidevi B Chiripal	0.30	0.30
	Nandan Corporation LLP	1.29	1.25
3	**Investments**	**6.50**	**9.48**
	Chiripal Textile Mills Private Limited	-	3.49
	Nandan Industries Private Limited	6.50	-
	Quality Exim Private Limited	-	4.99
	Grew Energy Private Limited	-	0.99
4	**Advance for Investments**	**3.00**	
	Srikunj Weaving Private Limited	3.00	
5	**Advance**	0.40	
	Devkinandan Corporation LLP	0.40	
6	**Net closing balance - debit**	**8.75**	**10.22**
7	**Net closing balance - credit**	**-**	**-**

C.	Entities over which Promoter has Significant Influence	2025-26	2024-25
1	**Purchase of materials**	**3.99**	**3.98**
	Dholi Integrated Spinning Park Limited	0.60	0.60
	Nandan Denim Limited	0.02	0.02
	Shanti Exports Private Limited	-	0.10
	Hexa Biochem Private Limited	0.07	0.07
	Shanti Spintex Limited	0.11	-
	Narol Textile Infrastructure & Inviro Management	3.19	3.19
2	**Guarantee Commission**	**0.01**	**0.01**
	Prakash Calender Private Limited	0.01	0.01
3	**Donation**	**0.99**	**0.41**
	Chiripal Charitable Trust	0.02	
	Milestone Educom Trust	0.07	-
	Happiness Reserves Foundation	0.91	0.15
	Chiripal Foundation	-	0.05
	Shree Maharaja Agrasen Seva Sansthan	-	0.21
4	**Security Deposit**	**3.00**	
	Shanti Spintex Limited	3.00	
5	**Net closing balance - debit**	**-**	**-**
6	**Net closing balance - credit**	2.88	1.24

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

D.	Key Management Personnel	2025-26	2024-25
1	**Remuneration**		
	Salary and Allowances	**1.87**	**3.97**
	Brijmohan D Chiripal	-	1.55
	Dhara Shah	-	₹ 40,000
	Susanta Kumar Panda	0.03	0.01
	Ramkrishna Dash	0.03	0.01
	Roma Sanghani	₹ 40,000	₹ 20,000
	Ravindrakumar Bajaj	0.31	0.42
	Pramodkumar Sharma	-	0.03
	Arvind Pandey	0.18	0.14
	Vinay Thadani	-	1.27
	Suketu Shah	0.78	0.16
	Dharmesh Dattani	0.35	0.27
	Pooja Dhruve	-	0.09
	Dilip Nikhare	0.10	-
	Nupur Bajaj	0.06	-
	Simran Bajaj	0.06	-
2	**Net closing balance - debit**	-	-
3	**Net closing balance - credit**	0.15	0.13

III. Terms and conditions

A. Goods were sold during the year based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions at market rates. All outstanding balances are unsecured and are repayable in cash and bank.

Note - 41 : Financial instruments – Fair values and risk management

I. Accounting classification and fair values

31st March 2026	Carrying amount				Carrying amount			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 Quoted price in active markets	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	Total
Financial assets measured at each reporting date								
Investments								
Listed equity instruments	-	0.14	-	0.14	0.14	-	-	0.14
Unquoted equity instruments	-	35.36	37.36	72.73	-	-	72.73	72.73
Unquoted preference instruments	10.25	-	5.74	15.99	-	-	15.99	15.99
Financial assets measured at amortised cost								
Other non current financial assets	-	-	1.24	1.24	-	-	1.24	1.24
Trade receivables	-	-	647.85	647.85	-	-	647.85	647.85
Cash and cash equivalents	-	-	0.09	0.09	-	-	0.09	0.09
Other bank balances	-	-	12.78	12.78	-	-	12.78	12.78
Total Financial Assets	**10.25**	**35.50**	**705.07**	**750.82**	**0.14**	**-**	**713.31**	**713.45**

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

31st March 2026	Carrying amount				Carrying amount			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 Quoted price in active markets	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	Total
Financial liabilities measured at amortised cost								
Non current borrowings	-	-	28.91	28.91	-	-	28.91	28.91
Current borrowings	-	-	196.54	196.54	-	-	196.54	196.54
Trade payables	-	-	102.53	102.53	-	-	102.53	102.53
Other Non Current Financial Liability	-	-	8.44	8.44	-	-	8.44	8.44
Total Financial Liabilities	**-**	**-**	**336.42**	**336.42**	**-**	**-**	**336.42**	**336.42**

31st March 2025	Carrying amount				Carrying amount			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 Quoted price in active markets	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	Total
Financial assets measured at each reporting date								
Investments								
Listed equity instruments	-	0.03	-	0.03	0.03	-	-	0.03
Unquoted equity instruments	-	12.90	30.87	43.77	-	-	12.90	12.90
Unquoted preference instruments	10.21	-	5.74	15.96	-	-	15.96	15.96
Financial assets measured at amortised cost								
Other non current financial assets	-	-	0.65	0.65	-	-	0.65	0.65
Trade receivables	-	-	526.34	526.34	-	-	526.34	526.34
Cash and cash equivalents	-	-	0.20	0.20	-	-	0.20	0.20
Other bank balances	-	-	11.18	11.18	-	-	11.18	11.18
Total Financial Assets	**10.21**	**12.93**	**574.98**	**598.12**	**0.03**	**-**	**567.22**	**567.26**
Financial liabilities measured at amortised cost								
Non current borrowings	-	-	84.51	84.51	-	-	84.51	84.51
Current borrowings	-	-	207.89	207.89	-	-	207.89	207.89
Trade payables	-	-	125.63	125.63	-	-	125.63	125.63
Other Non Current Financial Liability	-	-	10.73	10.73	-	-	10.73	10.73
Total Financial Liabilities	**-**	**-**	**428.76**	**428.76**	**-**	**-**	**428.76**	**428.76**

Notes:

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements described below:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2 : Inputs other than the quoted prices included withing Level 1 that are observable for the asset or liability, either directly or indirectly.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

II. Fair value of financial assets and liabilities measure at amortised cost

	31st March 2026		31st March 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments				
Other non current financial assets	88.86	88.86	59.75	59.75
Total financial assets	88.86	88.86	59.75	59.75
Financial liabilities				
Non current borrowings	28.91	28.91	84.51	84.51
Other non current financial Liabilities	8.44	8.44	10.73	10.73
Total financial liabilities	**37.35**	**37.35**	**95.24**	**95.24**

Notes:

The following methods and assumptions were used to estimate the fair values:

1) 1) The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balance, other current financial liability, loans and other current assets are considered to be the same as their fair values, due to their short-term nature.

2) The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate.

3) The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

III. Measurement of fair values

A. Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
FVTOCI in unquoted equity shares	**Market comparison technique:** The valuation model is based on two approaches : 1. **Asset approach** - seek to determine the business value based on the value of it's assets. The aim is to determine the business value based on the fair market value of its assets less its liabilities. The asset approach is based on the economic principle of substitution which adopts the approach of cost to create another business similar to one under consideration that will produce the same economic benefits for its owners.	Comparable unobservable entity has been taken as a base for the valuation of unquoted equity shares	The estimated fair value would increase (decrease) if: There is a change in pricing multiple owing to change in earnings of the entity.
	2. **Market approach** - relies on signs from the real market place to determine what a business is worth. The market approach based valuation methods establish the business value in comparison to similar businesses. The methods rely on the pricing multiples which determine a relationship between the business economic performance, such as its revenues or profits, and its potential selling price. The valuation has been made considering the following weightage to the above approaches: Asset approach : 70% Market approach : 30%		

B. Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods

2. Sensitivity analysis

For the fair values of unquoted investments, reasonably possible changes at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effects.

Significant observable inputs	31st March 2026		31st March 2025	
	Other Comprehensive Income		Other Comprehensive Income	
	Increase	Decrease	Increase	Decrease
Unquoted equity instruments measured through OCI				
5% movement	1.77	1.77	0.64	0.64

Significant observable inputs	31st March 2026		31st March 2025	
	Profit & Loss Account		Profit & Loss Account	
	Increase	Decrease	Increase	Decrease
Unquoted preference instruments measured through profit and Loss account				
5% movement	0.80	0.80	0.80	0.80

Note - 42 : Financial risk management

The company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

1. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

2. Credit risk

Credit risk is the risk of financial loss to the parent Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the parent Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

The maximum exposure to credit risk for trade and other receivables are as follows:

A. Trade receivables

"The Company has developed guidelines for the management of credit risk from trade receivables. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

any significant credit losses Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue, Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Other financial assets

This balance primarily constitute of Bank fixed deposits having maturity of more than 12 months.

Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.

A.1. Impairment

At 31st March 2026, the ageing of trade and other receivables that were not impaired was as follows.

Particulars	Carrying amount 31st March 2026			Carrying amount 31st March 2025		
	Gross	Provision	Net	Gross	Provision	Net
Not Due	333.25	-	333.25	339.07	-	339.07
Less than 6 months	289.83	-	289.83	135.03	-	135.03
6months to 1 year	3.07	-	3.07	8.55	-	8.55
1-2 years	1.90	-	1.90	27.02	-	27.02
2-3 years	3.55	-	3.55	1.28	-	1.28
More than 3 years	16.65	-	16.65	15.39	-	15.39
	648.25	**-**	**648.25**	**526.34**	**-**	**526.34**
% of expected credit losses (More than 365 days)	0.39		0.39			-

The above receivables which are past due but not impaired are assessed on individual case to case basis and relate to a number of independent third party customers from whom there is no recent history of default. These financial assets were not impaired as there had not been a significant change in credit quality and the amounts were still considered recoverable based on the nature of the activity of the customer portfolio to which they belong and the type of customers. There are no other classes of financial assets that are past due but not impaired except for Trade receivables as at 31.03.2026 and 31.03.2025

Note - 43 : Financial instruments – Fair values and risk management

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has current financial assets which the management believes is sufficient to meet all its liabilities maturing during the next 12 months.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, including contractual interest.

B. The Parent company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31st March 2026	As at 31st March 2025
Fund Base	28.61	35.29
Expiring within one year (bank overdraft and other facilities)		
Non Fund Base	19.58	29.11
Expiring within one year		

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

C. **Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31st March 2026	Carrying amount	Less than 12 months	1-2 years	3-5 years	More than 5 years	Total
Financial liabilities						
Non current borrowings*	37.22	8.31	15.90	13.01	-	37.22
Current borrowing	171.39	171.39	-	-	-	171.39
ECLGS Facility*	16.83	9.36	7.47	-	-	16.83
Trade payable	102.53	102.52	0.00	-	-	102.53
Other current financial liabilities	8.44	-	-	-	8.44	8.44

*includes interest

31st March 2025	Carrying amount	Less than 12 months	1-2 years	3-5 years	More than 5 years	Total
Financial liabilities						
Non current borrowings*	92.96	8.45	16.15	68.35	-	92.96
Current borrowing	164.71	164.71	-	-	-	164.71
ECLGS Facility*	34.72	18.17	16.06	0.48	-	34.72
Trade payable	125.63	125.56	0.07	-	-	125.63
Other current financial liabilities	10.73	-	-	-	10.73	10.73

*includes interest

Note - 44 : Financial instruments – Fair values and risk management

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

A. **Currency risk**

The functional currency of the Company is Indian Rupee. The Company is exposed to currency risk on account of payables and receivables in foreign currency. The company has formulated policy to meet the currency risk.

company does not use derivative financial instruments for trading or speculative purposes.

1. **Foreign Currency Exposure**

Particulars	Currency	31st March 2026	31st March 2025
a) Against export	USD	-	-
	INR	-	-
b) Net statement of financial exposure	USD	-	-
	INR	-	-

2. **Sensitivity**

Profit or loss is sensitive to higher / lower changes in fluctuation currency rate:

As on 31st March 2026	Impact on profit before tax	
Particulars	**Increase**	**Decrease**
Currency rates (5% increase/ decrease)	-	-
USD		

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

As on 31st March 2025	Impact on profit before tax	
Particulars	**Increase**	**Decrease**
Currency rates (5% increase/ decrease)	-	-
USD		

B. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The company adopts a policy to ensure that maximum interest rate exposure is at a fixed rate. This is achieved by entering into fixed-rate instruments.

1. **Exposure to interest rate risk**

The exposure of the Parent company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31st March 2026	31st March 2025
Fixed-rate instruments		
Financial assets	14.02	11.82
Financial liabilities	-	-
Total	**14.02**	**11.82**
Variable-rate instruments		
Financial liabilities	225.45	292.39
Total	**225.45**	**292.39**

As at the end of the reporting period, the company had the following variable rate borrowings outstanding:

As on 31st March 2026	Bank loans
Weighted average interest rate	9.41%
Balance (₹ in crore)	225.45
% of total loans	100.00%

As on 31st March 2025	Bank loans
Weighted average interest rate	10.00%
Balance (₹ in crore)	292.39
% of total loans	100.00%

2. **Sensitivity**

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates:

As on 31st March 2026	Impact on profit before tax	
Particulars	**Decrease**	**Increase**
Interest rates (0.50% increase/ decrease)	1.13	1.13
As on 31st March 2025	**Impact on profit before tax**	
Particulars	**Decrease**	**Increase**
Interest rates (0.50% increase/ decrease)	1.46	1.46

3. **Fair value sensitivity analysis for fixed-rate instruments**

The company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not have any designate derivatives (interest rate swaps). Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note - 45 : Disclosure relating to various ratios

Sr. No.	Ratio Name	Particulars	Ratio 2025-26	Ratio 2024-25	% of Variance	Reason for Variance
1	Current Ratio	Current Assets	2.37	1.94	22.07%	NA
	(In times)	Current Liability				
2	Debt Service Coverage Ratio	EBIDTA	3.46	2.92	18.79%	NA
	(In times)	(Interest+Repayment)				
3	Inventory Turnover Ratio	Sales	17.97	14.54	23.59%	NA
	(In times)	Average Inventory				
4	Trade Payable Turnover Ratio	Net Purchase	12.13	12.53	-3.21%	NA
	(In times)	Average Trade Payable				
5	Net Profit Ratio	Net Profit	2.01	1.57	28.05%	NA
	(In %)	Net Sales				
6	Debt-Equity Ratio	Total Debt	0.35	0.61	-42.87%	Due to repayment of unsecured Loan.
	(In times)	Total Shareholder Equity				
7	Return on Equity ratio	Net Income	5.79	5.38	7.55%	NA
	(In %)	Average Shareholder's Equity				
8	Trade Receivable Turnover Ratio	Net Sales	2.73	2.93	-6.89%	NA
	(In times)	Average Trade Receivable				
9	Net Capital Turnover Ratio	Net Sales	3.67	4.59	-20.12%	NA
	(In times)	Working Capital				
10	Return on Capital Employed Ratio	EBIT	9.33	10.78	-13.45%	NA
	(In %)	Capital Employed				
11	Return on Investment	Refer Note no. 1 below	48.71	19.84	145.50 %	Due to increase in the fair value of Investment.
	(In %)					

Note:

1 **Return on Investment**

(MV(T1) - MV(TO) - SUM [C(T)])

(MV(TO) + SUM [W(T) * C (T)])

Where,

T1 = End of time period

T2 = Beginning of time period

T = Specific date falling between T1 and TO

MV(T1) = Market value at T1

MV(TO) = Market value at TO,

C(t) = Cash inflow, Cash outflow on specific date

W(T) = Weight of net cash flow (i.e. either net inflow or outflow) on day 'T', Calculated as [T1 - T]/T1

Note - 46 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	As at 31st March 2026	As at 31st March 2025
Total Liabilities	377.07	466.41
Less : Cash and bank balances	12.86	11.38
Adjusted net debt	**364.20**	**455.03**
Total equity	638.05	474.02
Adjusted net debt to adjusted equity ratio	**0.57**	**0.96**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2026 and 31st March 2025.

Note - 47 : Earnings per share

Particulars	[Number of shares] As at 31st March 2026	[Number of shares] As at 31st March 2025
Issued equity shares	247610003	197610003
Weighted average shares outstanding - Basic - A	234049401	197610003
Weighted average shares outstanding - Diluted - B	234049401	225281236

Net profit available to equity holders of the Parent Company used in the basic and diluted earnings per share was determine as follows:

Particulars	As at 31st March 2026	As at 31st March 2025
Profit and loss after tax for Basic EPS - C	32.18	23.84
Profit and loss after tax for Diluted EPS - D	32.18	23.84
Basic Earnings per share [C/A] [₹]	1.37	1.21
Diluted Earnings per share [D/B] [₹]	1.37	1.06

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

Note - 48 : Expenditure on corporate social responsibility activities

The details of corporate social responsibility as prescribed under section 135 of the Companies Act, 2013 is as follows:

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
I. Amount required to be spent by the Parent company during the year	0.99	1.33
II. Amount spent by the Parent company during the year on:		
a) Construction/acquisition of any assets	-	-
b) For purpose other then (a) above	0.99	1.33
III. Shortfall at the end of the year	-	-
IV. Total of previous year shortfall	-	-
V. Reason of Shortfall	NA	NA
VI. Amount carried forward at the end of the year	-	-

VII. Nature of CSR activities–To promoting education, employement enhancing vocation skills especially among children and women.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note - 49 :

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. The Company has a Fund-based and Non-fund-based limits of Working Capital from Banks and Financial institutions. For the said facility, the Company has submitted Stock and debtors statement to the bank on monthly basis as also the Quarterly Information Statements. The average difference is not material and is less than 1% of amount of stock and debtors, which is on account of valuation, provisions, etc.

c. The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

d. The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Company Act, 1956.

e. The Company has compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

f. The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;

(1) 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

(2) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

g. The Company does not have any transactions which is not recorded in the books of accounts but 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).

h. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note - 50 :

The financial statements are approved by the audit committee and Board of Directors at its meeting held on 20th May, 2026. The said financial statements are subject to approval of Share Holders in Annual General Meeting.

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note - 51 :

Company has given guarantees during the year and in previous year and disclosure under section 186(4) of the companies Act 2013 is given below.

Particulars	2025-26	2024-25
Corporate guarantee given to Narol Textile Infrastructure & Inviro Management for Common Effulant Treatment Plant (CETP) and balance at the year end	3.24	3.58
Investment during the year in Unquoted Equity Instruments Associate Entities (At Cost)		
Chiripal Textile Mills Private Limited	-	3.49
Nandan Industries Private Limited	6.50	-
Quality Exim Private Limited	-	4.99
Investment as on date in Unquoted Equity Instruments Associate Entities (At Cost)		
Chiripal Textile Mills Private Limited	21.27	21.27
Nandan Industries Private Limited	9.00	2.50
Quality Exim Private Limited	7.10	7.10
Investment as on date in Unquoted preference shares (At Cost)		
Quality Exim Private Limited	3.95	3.95
Nandan Industries Private Limited	1.79	1.79
Advances paid against investments		
Srikunj Weaving Private Limited	3.00	-

Note - 52 :

Figures have been presented in 'crore' of rupees with two decimals. Figures less than ₹ 50,000 have been shown at actual in brackets

Note - 53 :

Disclosure pursuant to Ind AS 27 "Separate Financial Statements"

Name of Associates	Principal Place of Business	As at 31st March, 2026	
		Proprotion of direct owenership (%)	Proprotion of Effective owenership interest / Voting Power (%)
1. Chiripal Textiles Mills Private Limited.	India	42.36%	42.36%
2. Nandan Industries Private Limited.	India	27.25%	27.25%
3. Quality Exim Private Limited.	India	37.92%	37.92%

Name of Associates	Principal Place of Business	As at 31st March, 2025	
		Proprotion of direct owenership (%)	Proprotion of Effective owenership interest / Voting Power (%)
1. Chiripal Textiles Mills Private Limited.	India	42.36%	42.36%
2. Nandan Industries Private Limited.	India	23.17%	23.17%
3. Quality Exim Private Limited.	India	37.92%	37.92%

Notes to Standalone Financial Statements

for the year ended 31st March, 2026

Note - 54 :

Pursuant to the notification issued by the Ministry of Labour and Employment, The Government of India has consolidated 29 existing labour legislations into a united framework comprising 4 Labour Codes referred as the "New Labour Codes" which became effective from 21st November, 2025. The Company is currently evaluating the financial implication on its employee benefit obligation. As the evaluation is currently in progress , the financial impact is not reasonably determinable at this stage. Consequently no adjustment has been made in the financial results for the period.

Note - 55 : Comparatives / Regrouping and Reclassification

Comparatives (amounts and other disclosures for the preceding reporting year) are included as an integral part of the current year's financial statements. Figures of the previous year have been regrouped / reclassified wherever necessary to correspond with the current year's presentation and classification.

Note - 56 : Events occurring after the reporting period

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of 20th May 2026 there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

Material Accounting Policies

The accompanying Notes 2 to 56 are integral part of the Financial Statements.

As per our report of even date

For **S V J K and Associates**
Chartered Accountants
Firm Registration No: 135182W

Reeturaj Verma
Partner
Membership No.: 193591
UDIN: 26193591ONAEFN2593

Place: Ahmedabad
Date: May 20,2026

For and on behalf of the Board of Directors of **Vishal Fabrics Limited**
CIN : L17110GJ1985PLC008206

Brijmohan Chiripal
Managing Director
DIN : 00290426

Ravindrakumar Bajranglal Bajaj
Whole-Time Director
DIN : 08243855

Suketu Shah
Chief Executive Officer

Dharmesh Dattani
Chief Financial Officer

Dilip Nikhare
Company Secretary
Mem No: A45570

Place: Ahmedabad
Date: May 20,2026

Independent Auditors' Report

To
The Members of
M/S. VISHAL FABRICS LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **M/S. VISHAL FABRICS LIMITED** ("the Parent") and its associate (the parents and associates together referred as "the group") companies which comprises the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Changes in Equity and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates as at 31st March 2026, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

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

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the "Board's Report and Annexures and Management Discussion and Analysis 2025-26" (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and additional information excluding those referred above that would be included in the Integrated Report, which is expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

When we read the additional information, as mentioned above, that would be included in the Integrated Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the respective companies.

Auditor's Responsibilities for the Audit of Consolidated Financial Statement

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

A further description of the auditor's responsibilities for the audit of the financial statements is included in **Annexure A**. This description forms part of our auditor's report.

Other Matters

The Consolidated Financial Statements include the Associate's share of net profit of ₹ 3.47 crores for the year ended 31st March 2026, as considered in the Consolidated Financial Statements, in respect of 3 associates. The financial statements of these associate have been audited by other auditors whose reports have been furnished to us by the Holding Company's management and other auditors, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these associate and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid associate, is based on the reports of the other auditors and the procedures performed by us.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for Parent Company and by other auditors for associates companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

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

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

   b) In our opinion, proper books of account as required by law maintained by the Group and its associates including relevant records relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associates incorporated in India whose audit under Section 143 of the Act has been completed, none of the directors of the Group companies, its associates and joint ventures incorporated in India is disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group–Refer Note 34 to the consolidated financial statements;

ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.

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 respective managements of the Holding Company and its associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associates respectively that, to the best of their knowledge and belief, other than as disclosed in Notes 8(ii) and 9(iv) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective managements of the Holding Company and its associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associates respectively that, to the best of their knowledge and belief, other than as disclosed in the Notes 8(iii) and 9(v) to the consolidated financial statements, no funds have been received by the Holding Company or any of such associates from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such associates 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 has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

vi) Based on our examination, which included test checks and that performed by the respective auditors associates which are companies incorporated in India whose financial statements have been audited under the Act, the Group, its associates have used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software.

For, S V J K and Associates
Chartered Accountants
Firm Reg. No. 135182W

Place: Ahmedabad
Date: 20th May 2026
UDIN: 26193591HEIKRR7270

Reeturaj Verma
Partner
M.No. 193591

Annexure "A" to the Independent Auditor's Report

Responsibilities for Audit of Financial Statement

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 consolidated 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 ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the F134 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information/ financial statements of such entities included in the consolidated financial statements/financial information of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

For, S V J K and Associates
Chartered Accountants
Firm Reg. No. 135182W

Place: Ahmedabad
Date: 20th May 2026
UDIN: 26193591HEIKRR7270

Reeturaj Verma
Partner
M.No. 193591

Annexure "B" to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

Opinion

We have audited the internal financial controls over financial statements of **M/S. VISHAL FABRICS LIMITED** ("the Company"), as of 31st March 2026, in conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31st March 2026, based on the internal financial controls with reference to consolidated financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibility include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For, S V J K and Associates
Chartered Accountants
Firm Reg. No. 135182W

Place: Ahmedabad
Date: 20th May 2026
UDIN: 26193591HEIKRR7270

Reeturaj Verma
Partner
M.No. 193591

VISHAL FABRICS LTD

Consolidated Balance Sheet

as at 31st March 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	2	117.37	139.79
(b) Capital Work-In-Progress	2A	0.39	-
(c) Investment Property	2B	50.74	56.81
(d) Financial Assets			
(i) Investments	3	97.50	64.93
(ii) Others Financial Assets	4	1.24	0.65
(e) Other Non-Current Assets	5	0.75	0.75
TOTAL NON-CURRENT ASSETS		**267.99**	**262.92**
2 CURRENT ASSETS			
(a) Investment	6	0.14	
(b) Inventories	7	63.23	115.08
(c) Financial Assets			
(i) Trade Receivables	8	647.85	526.34
(ii) Cash And Cash Equivalents	9	0.09	0.20
(iii) Bank Balances Other Than (ii) Above	10	12.78	11.18
(d) Other Current Assets	11	31.68	29.88
TOTAL CURRENT ASSETS		**755.77**	**682.68**
TOTAL ASSETS		**1,023.75**	**945.61**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	12	123.81	98.81
(b) Other Equity	13	522.88	342.22
(c) Money Received Against Share Warrants	14	-	38.17
TOTAL EQUITY		**646.69**	**479.20**
LIABILITIES			
1 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	15	28.91	84.51
(ii) Other Financial Liabilities	16	8.44	10.73
(b) Provisions	17	1.29	1.31
(c) Deferred Tax Liabilities (Net)	18	19.47	18.17
TOTAL NON-CURRENT LIABILITIES		**58.12**	**114.72**
2 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19	196.54	207.89
(ii) Trade Payables	20		
- Due to Micro and Small Enterprises		14.33	8.75
- Due to other than Micro and Small Enterprises		88.20	116.89
(b) Other Current Liabilities	21	6.32	2.60
(c) Provisions	22	1.28	2.08
(d) Current Tax Liabilities (Net)	23	12.28	13.50
TOTAL CURRENT LIABILITIES		**318.95**	**351.69**
TOTAL EQUITY AND LIABILITIES		**1,023.75**	**945.61**
Material Accounting Policies	1		

The accompanying Notes 2 to 56 are integral part of the Financial Statements.

As per our report of even date

For **S V J K and Associates**
Chartered Accountants
Firm Registration No: 135182W

Reeturaj Verma
Partner
Membership No.: 193591
UDIN: 26193591HEIKRR7270

Place: Ahmedabad
Date: May 20,2026

For and on behalf of the Board of Directors of **Vishal Fabrics Limited**
CIN : L17110GJ1985PLC008206

Brijmohan Chiripal
Managing Director
DIN : 00290426

Ravindrakumar Bajranglal Bajaj
Whole-Time Director
DIN : 08243855

Suketu Shah
Chief Executive Officer

Dharmesh Dattani
Chief Financial Officer

Dilip Nikhare
Company Secretary
Mem No: A45570

Place: Ahmedabad
Date: May 20,2026

Consolidated Statement of Profit and Loss

for the year ended 31st March 2026

(All amounts in ₹ Crores, unless otherwise stated)

	Particulars	Note No.	Year ended 31st March 2026	Year ended 31st March 2025
I	Revenue From Operations	24	1,602.11	1,519.83
II	Other Income	25	1.15	1.60
III	**Total Income (I+II)**		**1,603.26**	**1,521.43**
IV	**EXPENSES**			
	(a) Cost of Materials Consumed	26	1,391.92	1,365.22
	(b) Changes in Inventories of Finished Goods	27	42.69	(10.36)
	(c) Changes in Stock-In-Trade and Work-In-Progress	28	0.75	(3.17)
	(d) Employee Benefits Expense	29	31.59	30.63
	(e) Finance Costs	30	39.21	39.65
	(f) Depreciation and Amortization Expense	31	31.63	33.20
	(g) Other Expenses	32	22.31	21.36
Total Expenses (IV)			**1,560.10**	**1,476.53**
V	**Profit/(Loss) Before Tax (III-IV)**		**43.16**	**44.90**
VI	**Tax Expense:**	33		
	(a) Current Tax		15.40	15.70
	(b) Deferred Tax (Credit)/charge		(4.31)	5.49
	(C) Tax Expense Related to Earlier Year		(0.11)	(0.12)
	Total Tax Expenses		**10.98**	**21.07**
VII	**Profit/(Loss) After Tax Before Share of Associates (V-VI)**		**32.18**	**23.84**
VIII	Share of Profit/(Loss) of Associates accounted for using the Equity Method		3.47	5.17
IX	**Profit/(Loss) After Tax (IV+VII)**		**35.64**	**29.01**
X	Other Comprehensive Income	34		
	(a) Items That Will Not be Reclassified To Profit or Loss		22.72	₹ 26,475
	(b) Income Tax Relating to Items That Will Not be Reclassified to Profit or Loss		(5.62)	(₹ 4,318)
	(c) Items That Will be Reclassified to Profit or Loss		-	-
	(d) Income Tax Relating to Items That Will be Reclassified to Profit or Loss		-	-
	Total Other Comprehensive Income		**17.10**	**₹ 22,157**
XI	**Total Comprehensive Income for The Year (IX+X)(Comprising Profit (Loss) and Other Comprehensive Income for The Year)**		52.74	29.01
XII	**Earnings Per Equity Share :**	47		
	(a) Basic (in ₹)		1.52	1.47
	(b) Diluted (in ₹)		1.52	1.29
Material Accounting Policies		1		

The accompanying Notes 2 to 56 are integral part of the Financial Statements.

As per our report of even date

For **S V J K and Associates**
Chartered Accountants
Firm Registration No: 135182W

Reeturaj Verma
Partner
Membership No.: 193591
UDIN: 26193591HEIKRR7270

Place: Ahmedabad
Date: May 20,2026

For and on behalf of the Board of Directors of **Vishal Fabrics Limited**
CIN : L17110GJ1985PLC008206

Brijmohan Chiripal
Managing Director
DIN : 00290426

Ravindrakumar Bajranglal Bajaj
Whole-Time Director
DIN : 08243855

Suketu Shah
Chief Executive Officer

Dharmesh Dattani
Chief Financial Officer

Dilip Nikhare
Company Secretary
Mem No: A45570

Place: Ahmedabad
Date: May 20,2026

Consolidated Cash Flow Statement

for the year ended 31st March 2026

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Cash flow from operating activities		
Net profit before tax	**43.16**	**44.90**
Adjustments:		
Depreciation and amortisation	31.63	33.20
Finance expense	39.21	39.65
Interest income	(0.87)	(0.90)
Loss on sale of Property, Plant and Equipment	0.08	-
Profit on Sale of Property, Plant and Equipment	(0.01)	(0.02)
Change in Fair Value of Preference Instruments through profit and loss account	0.04	(0.48)
Change in Fair Value of Mutual Fund Investment through profit and loss account	0.01	
Operating cash flow before working capital changes	**113.24**	**116.35**
Working capital adjustments:		
Decrease/ (Increase) in trade receivables	(121.51)	(15.54)
Decrease/ (Increase) in other current assets	(1.80)	3.69
Decrease/ (Increase) in inventories	51.85	(21.11)
Increase/ (Decrease) in trade payables	(23.11)	31.71
Increase/ (Decrease) in provisions	(0.67)	0.20
Increase/ (Decrease) in current liabilities	3.72	0.12
Increase/ (Decrease) in other financial liabilities	(2.29)	(0.25)
Cash generated from operations	**19.43**	**115.17**
Income tax paid (net of refund)	(16.51)	(7.58)
Net cash generated from operating activities (a)	**2.93**	**107.59**
Cash flow from investing activities		
Purchase of Property Plant & Equipment including Capital Work in Progress	(3.71)	(10.68)
Proceeds from sales of Property Plant & Equipment	0.12	0.04
Investment in Mutual Fund	(0.15)	-
Purchase of Non-current Investment	(6.57)	(9.48)
Capital advances and other non-current assets	(0.59)	1.87
Interest income	0.87	0.90
Net cash used in investing activities (b)	**(10.03)**	**(17.36)**
Cash flow from financing activities		
Repayment of Long term borrowings	(55.60)	(45.88)
Proceeds from issue of Share Warrants	114.75	38.17
Short term borrowings (net)	(11.35)	(42.51)
Finance cost paid	(39.21)	(39.65)
Net cash generated from /(used in) financing activities (c)	**8.59**	**(89.88)**
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	**1.48**	**0.35**
Cash and cash equivalents at the beginning of the year	11.38	11.03
Cash and cash equivalents at the end of the year	**12.86**	**11.38**

Consolidated Cash Flow Statement

for the year ended 31st March 2026

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Components of cash and cash equivalents		
Cash on hand	0.06	0.09
Balances with banks		
Current accounts	0.02	0.12
Deposit accounts*	12.78	11.18
	12.86	**11.38**

Out of Other Current Assets balance ₹ 0.03 crores is laying with the income tax department perusing to the search conducted in the month of July 2022.

*Deposit accounts is earmarked with bank.

Notes:

1. The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statement notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

Material Accounting Policies 1

The accompanying Notes 2 to 56 are integral part of the Financial Statements.

As per our report of even date

For **S V J K and Associates**
Chartered Accountants
Firm Registration No: 135182W

Reeturaj Verma
Partner
Membership No.: 193591
UDIN: 26193591HEIKRR7270

Place: Ahmedabad
Date: May 20,2026

For and on behalf of the Board of Directors of **Vishal Fabrics Limited**
CIN : L17110GJ1985PLC008206

Brijmohan Chiripal
Managing Director
DIN : 00290426

Ravindrakumar Bajranglal Bajaj
Whole-Time Director
DIN : 08243855

Suketu Shah
Chief Executive Officer

Dharmesh Dattani
Chief Financial Officer

Dilip Nikhare
Company Secretary
Mem No: A45570

Place: Ahmedabad
Date: May 20,2026

Consolidated Statement of Changes in Equity

for the year ended 31st March 2026

A. Equity share capital

Equity shares of ₹ 5 each

(All amounts in ₹ Crores, unless otherwise stated)

As at 1st April, 2024	Change in Equity Share Capital due to prior period errors	Restated balance at the beginning of the period 1st April 2024	Changes in equity share capital during 2024-2025	As at 31st March 2025	Change in Equity Share Capital due to prior period errors	Restated balance at the beginning of the period 1st April 2025	Changes in equity share capital during 2025-2026	As at 31st March, 2026
98.81	-	98.81	-	98.81	-	98.81	25.00	123.81

B. Other equity as at 31st March 2026

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Share Application Money pending allotment	Equity component of compound financial instruments	Reserves & Surplus		Items of other comprehensive income		Money received against Share Warrants	Total
			Security Premium	Retained Earnings	Equity instruments through other comprehensive Income	Remeasurement of defined benefit plants		
Balance at 1st April 2024	**-**	**-**	**15.22**	**290.04**	**3.37**	**4.58**	**-**	**313.21**
Retained earning during the year	-	-	-	29.01	-	-	-	29.01
Other comprehensive income for the year	-	-	-	-	(0.05)	0.06		₹ 22,157
Money received against Share Warrants	-	-					38.17	38.17
Total comprehensive income for the year	**-**	**-**	**-**	**29.01**	**(0.05)**	**0.06**	**38.17**	**67.18**
Balance at 31st March 2025	**-**	**-**	**15.22**	**319.05**	**3.32**	**4.63**	**38.17**	**380.39**
Balance at 1st April 2025	**-**	**-**	**15.22**	**319.05**	**3.32**	**4.63**	**38.17**	**380.39**
Retained earning during the year	-	-	-	35.64	-	-	-	35.64
Other comprehensive income for the year	-	-	-	-	16.89	0.21	-	17.10
Money received against Share Warrants	-	-	-	-	-	-	114.75	114.75
Share Warrants converted into Equity Shares	-	-	127.92	-	-	-	(152.92)	(25.00)
Total comprehensive income for the year	**-**	**-**	**127.92**	**35.64**	**16.89**	**0.21**	**(38.17)**	**142.49**
Balance at 31st March 2026	**-**	**-**	**143.14**	**354.69**	**20.21**	**4.84**	**-**	**522.88**

For **S V J K and Associates**
Chartered Accountants
Firm Registration No: 135182W

Reeturaj Verma
Partner
Membership No.: 193591
UDIN: 26193591HEIKRR7270
Place: Ahmedabad
Date: May 20,2026

For and on behalf of the Board of Directors of **Vishal Fabrics Limited**
CIN : L17110GJ1985PLC008206

Brijmohan Chiripal
Managing Director
DIN : 00290426

Ravindrakumar Bajranglal Bajaj
Whole-Time Director
DIN : 08243855

Suketu Shah
Chief Executive Officer

Dharmesh Dattani
Chief Financial Officer

Dilip Nikhare
Company Secretary
Mem No: A45570

Place: Ahmedabad
Date: May 20,2026

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note 1:-

I. Company Information

Vishal Fabrics Ltd. (the Parent company) is a company domiciled in India and incorporated under the provisions of Companies Act, 1956 of India as a Private Limited company. The same was converted to public limited company w.e.f. 1st March, 2015. The Parent company has its registered office and plant at Narol, Ahmedabad–380009, and another plant situated at Dholi Integrated Spinning Park, Taluka: Dholka, Village: Dholi, Ahmedabad–382240, Gujarat, India. The Parent company is engaged in manufacturing and selling of various Textile products like Dyed yarn, Denim Fabrics and job work of Textile products.

II. Basis of preparation

A. The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

B. The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

1. Financial instruments measured at fair value through profit or loss
2. Financial instruments measured at fair value through other comprehensive income
3. Defined benefit plans – plan assets measured at fair value

C. Investment in Associates Companies.

Associates companies are all entities over which the Parent Company has significant influence but not control or joint control. This is generally the case where the Parent company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognized at cost.

III. Material accounting policies

A. Revenue recognition

Revenue from contract with customers is recognized upon transfer of control of promised goods/ products to customers at an amount that reflects the consideration to which the Parent Company expect to be entitled for those goods/ products. To recognize revenues, the Parent company applies the following five-step approach:

- Identify the contract with a customer,
- Identify the performance obligations in the contract,
- Determine the transaction price,
- Allocate the transaction price to the performance obligations in the contract, and
- Recognize revenues when a performance obligation is satisfied.

1. Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, related discounts & incentives and volume rebates. It includes excise duty and excludes value added tax/ sales tax/goods and service tax.

The Parent company has adopted Ind AS 115 Revenue from contracts with customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

2. Interest income

For all financial instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

3. Dividends

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

B. Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization.

C. Government Grants

Government grants are only recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

- When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- Where the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, at a below market rate of interest, the effect of this favorable interest is treated as a government grant. The loan or assistance is initially recognized and measured at fair value, and the government grant is measured as the difference between the proceeds received and the initial carrying value of the loan. The loan is subsequently measured as per the accounting policies applicable to financial liabilities.

D. Export Benefits

Duty free imports of raw materials under advance license for imports, as per the Foreign Trade Policy, are matched with the exports made against the said licenses and the net benefits / obligations are accounted by making suitable adjustments in raw material consumption.

E. Taxes

1. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the entity operates and generates taxable income.

Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their corresponding carrying amounts for the financial reporting purposes.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

i. deductible temporary differences;

ii. the carry forward of unused tax losses; and

iii. the carry forward of unused tax credits.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

F. Leases

Company as a lessee

The Parent company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. The Parent company recognises lease liabilities to make lease payments and right-of-use

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

assets representing the right to use the underlying assets.

1) **Right-of-use assets**

- The Parent company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

  Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of- use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Leasehold Land 99 years

  If ownership of the leased asset transfers to the Parent company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (p) Impairment of non-financial assets.

2) **Lease Liabilities**

At the commencement date of the lease, the Parent company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Parent company and payments of penalties for terminating the lease, if the lease term reflects the Parent company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Parent company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

3) **Short-term leases and leases of low-value assets**

The Parent company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value

assets recognition exemption to leases of office equipment that are considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

G. **Employee Benefits**

The Parent Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible Indian employees of Vishal Fabrics. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, in capacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Parent Company contributes Gratuity liabilities to the Insurance company.

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

The Parent company operates a defined benefit gratuity plan in India, which requires contributions to be made to a LIC.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

i. The date of the plan amendment or curtailment, and

ii. The date that the Parent company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Parent company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

i. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

ii. Net interest expense or income

1. **Long-term employee benefits**

Post-employment and other employee benefits are recognized as an expense in the statement of profit and loss for the period in which the employee has rendered services. The expenses are recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and loss in respect of post-employment and other long term benefits are charged to the statement of other comprehensive income.

2. **Defined contribution plans**

The Parent company pays provident fund contributions to publicly administered provident funds as per local regulations. The Parent company has no further payment obligations once the contributions have been paid.

H. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost of the items. Acquisition cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Parent company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of spare parts that meets the definition of 'property, plant and equipment' is recognized as property, plant and equipment. The depreciation on such an item of spare part will begin when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. In case of a spare part, as it may be readily available for use, it may be depreciated from the date of purchase of the spare part.

Capital work in progress is stated at cost and net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment.

Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated to allocate the cost of assets, net of their residual values, over their estimated useful lives. Components having value significant to the total cost of the asset

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

and life different from that of the main asset are depreciated over its useful life. However, land is not depreciated. The useful lives so determined are as follows:

Assets	Estimated useful life
Lease hold land	Lease term (99 years)
Buildings	30 to 60 years
Plant and machinery	9 to 40 years
Furniture and fixtures	10 years
Office equipment	10 years
Vehicles	8 to 10 years

Depreciation on property, plant and equipment has been provided in the accounts based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013. Certain assets are depreciated over the useful life decided by the management based on estimate by the domain experts. The said useful life are less then prescribed by the schedule II of the Companies Act, 2013.

Depreciation on additions is calculated on pro rata basis with reference to the date of addition.

Depreciation on assets sold/ discarded, during the period, has been provided up to the preceding month of sale / discarded.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end 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 gains / (losses).

I. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Parent Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Parent and the cost of the item can be measure reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

J. Intangibles

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Parent and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

K. Inventories

Inventories are valued at the lower of cost and net realizable value.

1. Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
2. Finished goods and work in progress: cost includes cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on lower of cost or net realizable value.
3. Stores and spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. An item of spare parts that does not meet the definition of 'property, plant and equipment' has to be recognized as a part of inventories.
4. Fuel: cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

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

L. Financial Instruments

1. Financial assets

i. Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

ii. **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

a. Debt instruments at amortized cost

b. Debt instruments at fair value through other comprehensive income (FVTOCI)

c. Financial assets at fair value through profit or loss (FVTPL)

d. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

iii. **Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

iv. **Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

v. **Financial instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Parent company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Parent Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

vi. **Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the parent company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

vii. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized (i.e. removed from the Parent 's balance sheet) when:

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

b. The Parent company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

a) the Parent company has transferred substantially all the risks and rewards of the asset, or

b) the Parent Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Parent Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Parent company continues to recognize the transferred asset to the extent of the The Parent company's continuing involvement. In that case, the Parent company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Parent company has retained.

viii. Impairment of financial assets

The Parent company assesses impairment based on expected credit loss (ECL) model to the following:

a. Financial assets measured at amortized cost;

b. Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Parent company follows 'simplified approach' for recognition of impairment loss allowance on:

a. Trade receivables or contract revenue receivables; and

Under the simplified approach, the Parent company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Parent company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the Parent company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

ix. Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Parent company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Parent company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Parent company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

2. Financial liabilities

i. Initial recognition and measurement

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

The Parent company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

i. Subsequent measurement

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

a. Financial liabilities at fair value through profit or loss

b. Loans and borrowings

c. Financial guarantee contracts

ii. Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Parent company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Parent Company has not designated any financial liability as at fair value through profit and loss.

iii. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

iv. **Financial guarantee contracts**

Financial guarantee contracts issued by the Parent company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

When guarantees in relation to loans or other payables of associates are provided for no compensation the fair values are accounted for as contributions and recognized as part of the cost of the investment.

v. **Preference shares**

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognized in profit or loss as finance costs.

vi. **Derecognition**

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

3. **Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

M. **Impairment of non-financial assets**

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is determined:

i. In case of individual asset, at higher of the fair value less cost to sell and value in use; and

ii. In case of cash-generating unit (accompany of assets that generates identified, independent cash flows), at the higher of the cash-generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

N. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

O. Segment accounting

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter Segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

The Company is primarily engaged in the business of manufacturing, distribution and marketing of textile product. These, in the context of Ind AS 108 on Operating Segments Reporting are considered to constitute single business segment.

P. Provisions, Contingent liabilities, Contingent assets and Commitments

General

Provisions are recognized when the Parent 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. When the Parent Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of:

1. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
2. A present obligation arising from the past events, when no reliable estimate is possible;
3. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

The company provides for the expenses to reclaim the quarries used for mining. The total estimate of reclamation expenses is apportioned over the estimate of mineral reserves and a provision is made based on the minerals extracted during the year. Mines reclamation expenses are incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenditure.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Q. Dividend

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

The Parent company recognizes a liability to make cash distributions to equity holders of the Parent Company when the distribution is authorized, and the distribution is no longer at the discretion

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

of the Parent company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Parent Company's Board of Directors. The interim dividends declared during the year are approved by the Board of Directors.

R. Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Parent company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been arrived at, assuming that the proceeds receivable was based on shares having been issued at the average market value of the outstanding shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that would, if issued, either reduce future earnings per share or increase loss per share, are included.

S. Use of estimates and judgements

The presentation of the financial statements is in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 33–Current tax

Note 38–Measurement of defined benefit obligations

Note 41–Fair valuation of unlisted securities

T. Statement of cash flows

Cash flow are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals of accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and finance activities of the Parent company are segregated.

U. Current and non-current classification

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

i. Expected to be realized or intended to be sold or consumed in normal operating cycle;

ii. Held primarily for the purpose of trading;

iii. Expected to be realized within twelve months after the reporting period, or

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

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle;

ii. It is held primarily for the purpose of trading;

iii. It is due to be settled within twelve months after the reporting period, or

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

v. Some current liabilities, such as trade payables and some accruals for employee and other operating costs, are part of the working capital used in the entity's normal operating cycle. An entity classifies such operating items as current liabilities even if they are due to be settled more than twelve months after the reporting period.

All other liabilities are classified as non-current.

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

Operating Cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Parent company has identified twelve months as its operating cycle.

V. Foreign currency translation

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Parent company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Parent company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

W. Fair value measurement

The Parent company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Parent company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Parent company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

i. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.

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

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Parent company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Parent company's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The Valuation Committee comprises of the head of the investment properties segment, heads of the Parent company's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

upon annually by the Valuation Committee after discussion with and approval by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years. The management decides, after discussions with the Parent company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Parent company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation.

The management, in conjunction with the Parent company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the Valuation Committee and the Parent company's external valuers present the valuation results to the Audit Committee and the Parent Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Parent Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

i. Disclosures for valuation methods, significant estimates and assumptions.

ii. Quantitative disclosures of fair value measurement hierarchy.

iii. Investment in unquoted equity shares (discontinued operations).

iv. Financial instruments (including those carried at amortized cost).

X. Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Parent company is such that its disclosure improves the understanding of the performance of the Parent Company such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

Y. Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirements of Schedule III, unless otherwise stated.

Z. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 –

   The amendment relates to classification of liabilities as current or noncurrent and non-current liabilities with covenants.

   In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance.

   The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification

   criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments:

   Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note - 2 : PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS BLOCK (At carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 1st April 2025	Additions during the year	Disposal during the year	As at 31st March 2026	As at 1st April 2025	Charge for the year	Disposal during the year	As at 31st March 2026	As at 31st March 2026	As at 31st March 2025
1. Freehold land	-	-	-	-	-	-	-	-	-	-
2. Leasehold land	10.98	-	-	10.98	0.93	0.11	-	1.04	9.93	10.04
3. Building	64.08	-	-	64.08	31.91	3.06	-	34.96	29.12	32.17
4. Plant & Equipments	229.90	2.78	-	232.68	138.94	20.14	-	159.09	73.60	90.96
5. Furniture & Fittings	8.45	0.17	-	8.62	5.02	1.34	-	6.36	2.26	3.43
6. Office Equipments	2.47	0.29	-	2.75	1.93	0.30	-	2.23	0.53	0.54
7. Vehicles	9.30	0.06	(0.04)	9.33	6.66	0.75	(0.03)	7.38	1.94	2.64
Total	**325.17**	**3.30**	**(0.04)**	**328.44**	**185.39**	**25.71**	**(0.03)**	**211.07**	**117.37**	**139.79**

PARTICULARS	GROSS BLOCK (At carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 1st April 2024	Additions during the year	Disposal during the year	As at 31st March 2025	As at 1st April 2024	Charge for the year	Disposal during the year	As at 31st March 2025	As at 31st March 2025	As at 31st March 2024
1. Freehold land	-	-	-	-	-	-	-	-	-	-
2. Leasehold land	10.98	-	-	10.98	0.82	0.11	-	0.93	10.04	10.15
3. Building	64.08	-	-	64.08	28.53	3.38	-	31.91	32.17	35.55
4. Plant & Equipments	226.61	3.30	-	229.90	117.61	21.33	-	138.94	90.96	109.03
5. Furniture & Fittings	5.35	3.10	-	8.45	3.80	1.22	-	5.02	3.43	1.52
6. Office Equipments	1.98	0.48	-	2.47	1.77	0.16	-	1.93	0.54	0.22
7. Vehicles*	7.62	1.93	(0.25)	9.30	6.20	0.69	(0.23)	6.66	2.64	1.42
Total	**316.62**	**8.81**	**(0.25)**	**325.17**	**158.73**	**26.89**	**(0.23)**	**185.39**	**139.79**	**157.89**

Notes :

1 Refer Note no.35 for information on property, plant and equipment hypothecated/mortgaged as security by the Parent Company.

3 All assets are in the name of Parent company other than Leasehold Land.

*During the year, the vehicle classified under Investment Property has been regrouped and reclassified under Property, Plant and Equipment by the Parent Company.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note - 2A : CAPITAL WORK-IN-PROGRESS

Particulars	As at 1st April 2025	Additions during the year	Transfer during the year	As at 31st March 2026
Capital Work-in-Progress	-	0.39	-	0.39

Particulars	As at 1st April 2024	Additions during the year	Transfer during the year	As at 31st March 2025
Capital Work-in-Progress	1.93	-	(1.93)	-

Capital Work-in-Progress Ageing Schedule

As at 31st March 2026

CWIP	Amount in CWIP for a period				
	Less Than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
Project in progress - Growth Projects	-	0.39	-	-	0.39
Project temporarily suspended	-	-	-	-	-

As at 31st March 2025

CWIP	Amount in CWIP for a period				
	Less Than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
Project in progress - Growth Projects	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-

Note :

1. Refer Note no.33 for information on capital work-in progress hypothecated/mortgaged as security by the Parent Company.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note - 2B : INVESTMENT PROPERTY

PARTICULARS	GROSS BLOCK (At carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 1st April 2025	Additions during the year	Disposal during the year	As at 31st March 2026	As at 1st April 2025	Charge for the year	Disposal during the year	As at 31st March 2026	As at 31st March 2026	As at 31st March 2025
1. Freehold land	6.65	-	-	6.65	-	-	-	-	6.65	6.65
2. Factory Building	19.75	-	-	19.75	15.24	0.44	-	15.67	4.08	4.52
3. Building	0.37	-	-	0.37	0.09	0.03	-	0.11	0.26	0.29
4. Plant & Equipments	134.13	0.02	(0.77)	133.38	89.29	5.40	(0.60)	94.08	39.29	44.83
5. Furniture & Fittings	4.04	-	-	4.04	3.58	0.03	-	3.61	0.43	0.45
6. Office Equipments	1.88	-	-	1.88	1.81	0.04	-	1.84	0.03	0.07
7. Vehicles	-	-	-	-	-	-	-	-	-	-
Total	**166.81**	**0.02**	**(0.77)**	**166.06**	**110.00**	**5.92**	**(0.60)**	**115.32**	**50.74**	**56.81**

PARTICULARS	GROSS BLOCK (At carrying amount)				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 1st April 2024	Additions during the year	Disposal during the year	As at 31st March 2025	As at 1st April 2024	Charge for the year	Disposal during the year	As at 31st March 2025	As at 31st March 2025	As at 31st March 2024
1. Freehold land	6.65	-	-	6.65	-	-	-	-	6.65	6.65
2. Factory Building	19.75	-	-	19.75	14.75	0.49	-	15.24	4.52	5.01
3. Building	0.37	-	-	0.37	0.06	0.03	-	0.09	0.29	0.32
4. Plant & Equipments	130.32	3.81	-	134.13	83.58	5.71	-	89.29	44.83	46.74
5. Furniture & Fittings	4.04	-	(0.00)	4.04	3.55	0.03	-	3.58	0.45	0.49
6. Office Equipments	1.88	-	-	1.88	1.76	0.04	-	1.81	0.07	0.11
7. Vehicles*	-	-	-	-	-	-	-	-	-	-
Total	**163.01**	**3.81**	**(0.00)**	**166.81**	**103.70**	**6.30**	**-**	**110.00**	**56.81**	**59.31**

Note :

1 Fair value of Building under investment property as on 31st March 2026 is ₹ 3.77 Cr and 31st March 2025 is ₹ 3.78 Cr.

2 Refer Note no.35 for information on capital work-in progress hypothecated/mortgaged as security by the Parent Company.

*During the year, the vehicle classified under Investment Property has been regrouped and reclassified under Property, Plant and Equipment by the Parent Company.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note - 3 : NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

Numbers		Particulars	As at 31st March 2026	As at 31st March 2025
31st March 2026	31st March 2025			
Investment in quoted Equity instruments				
Investment in equity shares (Fully paid up) accounted through other comprehensive income				
20000	20000	Equity Shares of GSL Nova Petrochemicals Ltd of ₹ 5 Each	₹ 10,600	₹ 10,600
10000	10000	Equity Shares of True Green Bio Energy Ltd (Previously Known as CIL Nova Petrochemicals Ltd) of ₹ 10 Each	0.14	0.03
Total : A			**0.14**	**0.03**
Investment in Un-quoted Equity instruments				
Investment in equity shares (Fully paid up) accounted through other comprehensive income at Fair Value				
880000	440000	Equity Shares of Dholi Spintex Pvt Ltd of ₹10 Each	18.04	8.99
35000	35000	Equity Shares of Prakash Calender Pvt Ltd of ₹10 Each	0.12	0.12
1500	1500	Equity Shares of Deepak Impex Pvt Ltd of ₹100 Each	0.01	₹ 9,834
20250	20250	Equity Shares of Chiripal Industries Ltd of ₹10 Each	0.53	0.50
303419	303419	Equity Shares of Grew Energy Pvt. Ltd. of ₹10 Each	16.66	3.29
Investment in equity shares (Fully paid up) (At Cost)				
0	44	Equity Shares of Ellisbridge Co-op Bank Ltd of ₹25 Each	-	₹ 1,100
0	4	Equity Shares of Nutan Nagrik Sahakari Bank Ltd of ₹25 Each	-	₹ 100
Investment in Un-quoted Preference shares				
Investment in preference shares (Fully paid up) accounted through Profit & Loss account at Fair Value				
500000	500000	0.01% Non Cumulative Convertible Preference Shares of Dholi Spintex Pvt Ltd of ₹ 125Each	10.25	10.21
Total : B			**45.61**	**23.11**
Investment in Unquoted Equity Instruments Associate Entities at Equity Method (Refer Note no. 51)				
1586325	1586325	Equity Shares of Chiripal Textile Mills Pvt. Ltd. of ₹10 Each	26.25	24.56
3528100	1000000	Equity Shares of Nandan Industries Pvt Ltd of ₹70 Each	10.53	3.34
2208000	736000	Equity Shares of Quality Exim Pvt Ltd of ₹125 Each	9.22	8.15
Investment in Unquoted preference shares (At Cost)				
332000	332000	0.01% Non Cumulative Convertible Preference Shares of Quality Exim Pvt Ltd of ₹ 125 Each	3.95	3.95
275000	275000	0.01% Non Cumulative Convertible Preference Shares of Nandan Industries Pvt Ltd of ₹ 70 Each	1.79	1.79
Total : C			**51.74**	**41.78**
Total : A+B+C			**97.50**	**64.93**
Aggregate amount of quoted investments			0.14	0.03
Aggregate market value of quoted investments			0.14	0.03
Aggregate amount of unquoted investments			97.36	64.89
Aggregate amount of impairment in value of investments			₹1,200	-

Note :

1 Investments at fair value through other comprehensive income reflect investment in quoted and un quoted equity instruments. Refer note no. 41 for detailed disclosure on fair values

2 Refer note no. 40 Related Party disclosure.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note - 4: NON-CURRENT FINANCIAL ASSETS - OTHERS

Particulars	As at 31st March 2026	As at 31st March 2025
Bank deposit with original maturity more than 12 months	0.60	0.13
Security Deposits	0.65	0.52
Total	**1.24**	**0.65**

Notes :

1	Earmarked balances with Banks	0.60	0.13
2	Refer Note no.42 to 44 to for credit risk, liquidity risk and market risk for non current financial assets - others		
3	Refer Note no.35 for information on Bank Deposits hypothecated/ mortgaged as security by the Parent Company.		

Note - 5: OTHER NON-CURRENT ASSETS

Particulars	As at 31st March 2026	As at 31st March 2025
Capital advances	0.75	0.75
Total	**0.75**	**0.75**

Note:

1 Refer note no 35 for Capital Advances as hypothecated/mortgaged by the Parent Company.

Note - 6: CURRENT FINANCIAL ASSETS - INVESTMENT

Particulars	As at 31st March 2026	As at 31st March 2025
Investment in Mutual Fund (149982.501 Units having Face Value 9.1037 and PY "Nil")	0.14	-
Total	**0.14**	**-**

Notes:

1 Refer note no.42 to 44 for credit risk, liquidity risk and market risk for current financial assets.

2 Refer note no.35 for Bank Deposits hypothecated/mortgaged as security by the Parent Company.

Note - 7: INVENTORIES

Particulars	As at 31st March 2026	As at 31st March 2025
Raw materials & Packaging materials	23.07	31.51
Work-in-progress	12.01	12.75
Finished goods	24.32	67.01
Stores and spares	3.84	3.80
Total	**63.23**	**115.08**

Notes :

1 Refer Material accounting policy No. 1 for inventory

2 Refer note no.35 for Inventory hypothecated/mortgaged as security by the Parent Company.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note - 8: CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

Particulars	As at 31st March 2026	As at 31st March 2025
Trade Receivable Secured, considered good	-	-
Trade Receivable Unsecured, considered good	640.79	519.87
Trade Receivable Unsecured, considered good from related parties (Refer note no. 37)	7.07	6.47
Trade Receivable Unsecured, credit impaired	0.39	-
	648.25	**526.34**
Less: Allowance for credit impairment	0.39	-
Total	**647.85**	**526.34**

Notes:

1 Refer note no.42 to 44 for credit risk, liquidity risk and market risk for current financial assets.

2 Refer note no.35 for Trade Receivables hypothecated/mortgaged as security by the Parent Company.

Trade receivables ageing schedule for current year and previous year

As at 31st March 2026

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables considered good	333.25	289.83	3.07	1.90	3.55	16.65	648.25
Undisputed Trade receivables considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivables considered good	-	-	-	-	-	-	-
Disputed Trade receivables considered doubtful	-	-	-	-	-	-	-
Total	**333.25**	**289.83**	**3.07**	**1.90**	**3.55**	**16.65**	**648.25**

As at 31st March 2025

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables considered good	339.07	135.03	8.55	27.02	1.28	15.39	526.34
Undisputed Trade receivables considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivables considered good	-	-	-	-	-	-	-
Disputed Trade receivables considered doubtful	-	-	-	-	-	-	-
Total	**339.07**	**135.03**	**8.55**	**27.02**	**1.28**	**15.39**	**526.34**

Note - 9: CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

Particulars	As at 31st March 2026	As at 31st March 2025
Cash and cash equivalents		
Balance with banks		
In current accounts	0.02	0.12
Cash on hand	0.06	0.09
Total	**0.09**	**0.20**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note:

1 Refer note no. 42 to 44 for credit risk, liquidity risk and market risk for current financial assets.

2 Refer note no. 35 for Current Financial Assets - Cash and Cash Equivalents hypothecated/mortgaged as security by the Parent Company.

Note - 10: CURRENT FINANCIAL ASSETS - OTHER BANK BALANCES

Particulars	As at 31st March 2026	As at 31st March 2025
Other bank balances		
Deposit accounts	12.78	11.18
(with original maturity more than 3 months but less than 12 months)		
Total	**12.78**	**11.18**

Notes:

1	Earmarked balances with Banks	12.78	11.18

2 Refer note no. 42 to 44 for credit risk, liquidity risk and market risk for current financial assets.

3 Refer note no. 35 for Bank Deposits hypothecated/mortgaged as security by the Parent Company.

Note - 11: OTHER CURRENT ASSETS

Particulars	As at 31st March 2026	As at 31st March 2025
Advances to suppliers	16.38	15.02
Balance with statutory authorities	8.49	5.93
Prepaid expenses	3.41	2.43
Others	0.40	-
Advance against investment (refer note 2 below)	3.00	6.50
Total	**31.68**	**29.88**

Note:

1 Refer note no. 35 for Other Current Assets hypothecated/mortgaged as security by the Parent Company.

2 I) During the FY 2024-25, the Parent Company has paid an advance of 6.50 Crores to shareholder of Nandan Industries Private Ltd. for the proposed acquisition of equity shares. As of the reporting date, the shares have not been transferred, and therefore, the amount has been presented as an advance under Other Current Assets.

II) During the FY 2025-26, the Parent Company has paid an advance of 3.00 Crores to shareholder of Srikunj Weaving Private Limited. for the proposed acquisition of shares. As of the reporting date, the shares have not been transferred, and therefore, the amount has been presented as an advance under Other Current Assets.

Note - 12: Equity Share Capital

Particulars	As at 31st March 2026		As at 31st March 2025	
	Number of shares	Amount	Number of shares	Amount
AUTHORISED				
Equity Shares of ₹ 5 each	300000000	150.00	300000000	150.00
	300000000	**150.00**	**300000000**	**150.00**
ISSUED AND SUBSCRIBED				
Equity Shares of ₹ 5 each	247610003	123.81	197610003	98.81
FULLY PAID UP				
Equity Shares of ₹ 5 each	247610003	123.81	197610003	98.81
Total	**247610003**	**123.81**	**197610003**	**98.81**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

1 Reconciliation of Number of Equity Shares Outstanding at the Beginning and at the end of the year

Particulars	2025-26		2024-25	
	Number of shares	Amount	Number of shares	Amount
Opening Balance	197610003	98.81	197610003	98.81
Bonus Share issued during the year	-	-	-	-
Total Shares	**197610003**	**98.81**	**197610003**	**98.81**
Increase in Equity Shares on Conversion of Share Warrants into Equity Shares	50000000	25.00	-	0.00
Closing Balance	**247610003**	**123.81**	**197610003**	**98.81**

2 The Parent Company has only one class of equity shares having a par value of ₹5 per share

3 Each shareholder of equity shares is entitled to one vote per share.

4 In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Parent Company after distribution of all preferential amounts, in proportion to their shareholding.

5 The details of Shareholders holding more than 5 % of Shares

Particulars	As at 31st March 2026		As at 31st March 2025	
	No. of shares held	% of Total paid up Equity Share Capital	No. of shares held	% of Total paid up Equity Share Capital
Equity shares				
1. Chiripal Industries Limited	57294000	23.14%	57294000	23.14%
2. Chiripal Exim LLP	12622350	5.10%	12622350	5.10%
3. Elysian Wealth Fund	15000000	6.06%	-	0.00%

6 Equity Shares held by the promoters at the end of the year

Sr. No.	Name of promoter	As at 31st March 2026			As at 31st March 2025		
		No of shares	% of total shares	% change during the year	No of shares	% of total shares	% change during the year
1	Brijmohan D Chiripal	7483500	3.02%	0.00%	7483500	3.79%	0.00%
2	Savitridevi V Chiripal	4067226	1.64%	0.00%	4067226	2.06%	0.00%
3	Pritidevi B Chiripal	3413997	1.38%	0.00%	3413997	1.73%	0.00%
4	Manjudevi Jaiprakash Chiripal	2358000	0.95%	0.00%	2358000	1.19%	0.00%
5	Vineeta Chiripal	2169300	0.88%	0.00%	2169300	1.10%	0.00%
6	Vishal V Chiripal	2091996	0.84%	0.00%	2091996	1.06%	0.00%
7	Urmiladevi Jyotiprasad Chiripal	2244000	0.91%	0.00%	2244000	1.14%	23.84%
8	Deepak J Chiripal	1512000	0.61%	0.00%	1512000	0.77%	0.00%
9	Aayushi Jaiprakash Agarwal	1332000	0.54%	-0.50%	1338746	0.68%	0.00%
10	Jaiprakash D Chiripal	1332000	0.54%	0.00%	1332000	0.67%	0.00%
11	Jyotiprasad D Chiripal	1332000	0.54%	0.00%	1332000	0.67%	0.00%
12	Nitika Deepak Chiripal	1332000	0.54%	0.00%	1332000	0.67%	0.00%
13	Nishi J Agarwal	648000	0.26%	-2.41%	664000	0.34%	0.00%
14	Shiwani V. Chiripal	648000	0.26%	0.00%	648000	0.33%	0.00%
15	Ronak B Agarwal	316689	0.13%	0.00%	316689	0.16%	0.00%
16	Priyanka Brijmohan Chiripal	257850	0.10%	0.00%	257850	0.13%	0.00%
17	Jaiprakash Chiripal-UNITY TRUST	100	0.00%	0.00%	100	0.00%	0.00%
18	Chiripal Industries Limited	57294000	23.14%	0.00%	57294000	28.99%	0.00%
19	Chiripal Exim Llp	12622350	5.10%	0.00%	12622350	6.39%	0.00%
20	Tripoli Management Private Limited	8082225	3.26%	0.00%	8082225	4.09%	0.00%
21	Devkinandan Corporation Llp	7074000	2.86%	0.00%	7074000	3.58%	0.00%
22	Nandan Corporation Llp	5711235	2.31%	0.00%	5711235	2.89%	0.00%

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Sr. No.	Name of promoter	As at 31st March 2026			As at 31st March 2025		
		No of shares	% of total shares	% change during the year	No of shares	% of total shares	% change during the year
23	Chiripal Textile Mills Private Limited	2200000	0.89%	0.00%	2200000	1.11%	0.00%
24	Quality Exim Private Limited	2118686	0.86%	0.00%	2118686	1.07%	0.00%
25	Nandan Industries Private Limited	1297500	0.52%	0.00%	1297500	0.66%	0.00%
26	Vedprakash Chiripal	7386177	2.98%	0.00%	7386177	3.74%	0.00%
27	Brijmohan Devkinandan Chiripal (On behalf of Brij Trust)	100	0.00%	0.00%	100	0.00%	0.00%
28	Jaiprakash Chiripal (On behalf of Jai Trust)	100	0.00%	0.00%	100	0.00%	0.00%
29	Jyotiprasad Devkinandan Chiripal (On behalf of Jyoti Trust)	100	0.00%	0.00%	100	0.00%	0.00%
30	Vedprakash Devkinandan Chiripal (On behalf of Ved Trust)	100	0.00%	0.00%	100	0.00%	0.00%
	Total promoter shares outstanding	**136325231**	**55.06%**		**136347977**	**69.00%**	

Note - 13: OTHER EQUITY

Particulars	As at 31st March 2026	As at 31st March 2025
Security Premium		
Opening balance	15.22	15.22
Add : Received during year	127.92	-
Closing balance	**143.14**	**15.22**
Retained Earnings		
Opening balance	319.05	290.04
Add : Profit for the year	35.64	29.01
Closing Balance	**354.69**	**319.05**
Other Comprehensive Income		
Opening balance	7.95	7.95
Add:		
Due to increase in Fair Value of Equity Instruments	16.89	(0.05)
Due to Remeasurement of defined benefit plants	0.21	0.06
Closing balance	**25.05**	**7.95**
	522.88	**342.22**

Notes:

Description of nature and purpose of each reserve:

1 **Security Premium**

The amount received in excess of face value of the equity shares is recognised in equity security premium.

2 **Retained Earnings**

Retained earnings are the profits/losses that the Group Company has earned till date less any transfer to other reserves, dividends or other distributions to shareholders.

3 **Other Comprehensive income**

a) The fair value change of the equity instruments measured at fair value through other comprehensive income is recognised in equity instruments through Other Comprehensive income.

b) The remeasurement gain/(loss) on net defined plan is recognised in Other Comprehensive Income net of Tax.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note - 14: Money Received Against Share Warrants

Particulars	As at 31st March 2026	As at 31st March 2025
Opening balance of Money received against Share Warrants	38.17	-
Add: Money received against Share Warrants (Refer Note no 1 below)	114.75	38.17
Less: On Conversion of Share Warrants to Equity Shares (Refer Note no 2 below)	(152.92)	-
	-	**38.17**

Notes:

1 **Money Received against Share Warrant**

a) The Parent company had issued 5,00,00,000 Complusorily Convertible equity warrants having Face value of ₹ 5.00/- Each (warrent) in FY 2024-25 by way of preferential issue for issue price of ₹ 30.60 per warrant including premium of ₹ 25.60/- per warrant upon receipt of amount aggregating to ₹ 38.25 crore at the rate of ₹ 7.65/- per warrant.(being 25% of issue price of ₹ 30.60/-)

b) The above warrants entitle the allottee to apply for and be allotted equal number of equity shares for each warrant held by them on payment of balance 75% of the issue price within 18 months from the date of issue of these warrants.

2 During the FY 2025-26, The Parent company upon the receipt of the balance 75% of the issue price from the allottees had converted 5,00,00,000 equity warrants into the Equity shares.

Note - 15: NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31st March 2026	As at 31st March 2025
Secured		
Term Loans from Banks (Refer note no. 1 to 3 below)	22.50	30.01
Unsecured		
Inter corporate deposits (Refer note no. 4 below)	6.41	54.50
	28.91	**84.51**

Notes:

Sr. No.	Particulars	As at 31st March 2026		As at 31st March 2025	
		Non Current	Current	Non Current	Current
1	The Parent company has availed Lease Rental Discounting facility of ₹ 50 crore from Bandhan Bank. The same is secured against first charge of assets lying at Narol, Ahmedabad and future lease rental receivable from M/s Texworld Fashion Private Limited.	20.19	7.14	26.53	7.14
2	SBI Term Loan (Solar Roof Top) Security :- 1) secured against exclusive charge over Machinery & Equipment of Roof Top solar installed on factory premises(hypothecation) .2) Personal Guarantee :- Mr. Ved Prakash Chiripal, Jyotiprasad Chiripal, Brijmohan Chiripal & Jaiprakash Chiripal. Repayment Terms :- loan will be repaid in 75 equal Instalment of ₹ 425000/- starting from March 2024 and last installment of ₹ 225000/- will be paid in June 2030. Effective Interest Rate : - 0.70% above 6 months MCLR(Present MCLR=8.90%) i.e ROI=9.60%	1.61	0.54	2.15	0.54
3	Vehicles Loans are secured by hypothecation of vehicles in favour of Bank and other terms as prescribe by the respective banks. Effective rate of interest is 8.85 % to 9.53 % p.a	0.70	0.63	1.32	0.77
4	Unsecured Inter corporate deposit is repayable after more then one year. The said loan is interest free.	6.41	0.00	54.50	0.00

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

5 Refer note no.42 to 44 for credit risk, liquidity risk and market risk for current financial liability.

6 The Parent company has complied few covenants for loan.

7 As at 31st March 2026, the register of charges of the Parent Company as available in records of the Ministry of Corporate Affairs (MCA) includes charges that were created/modified since the inception of the Parent company.

Note - 16: NON-CURRENT FINANCIAL LIABILITIES - OTHERS

Particulars	As at 31st March 2026	As at 31st March 2025
Creditors for capital expenditure	0.44	0.73
Security deposit for Lease Rental Service	8.00	10.00
Total	**8.44**	**10.73**

Note - 17: PROVISIONS

Particulars	As at 31st March 2026	As at 31st March 2025
Provision for employee benefits (Refer note no.38)	1.29	1.31
Total	**1.29**	**1.31**

Note - 18: DEFERRED TAX ASSETS/LIABILITIES (Net)

Particulars	As at 31st March 2026	As at 31st March 2025
Deferred Tax Liability		
On Property, plant and equipment and investment property	13.14	17.43
On Fair value of investments in equity instruments	6.81	1.13
On Fair value of investments in Preference instruments	0.48	0.47
On Amortisation of borrowing cost	0.00	0.02
Total Deferred Tax Liabilities	**20.43**	**19.05**
Deferred Tax Assets		
On Employee Benefits	0.93	0.87
On Finance Expenses	0.01	0.01
On Fair value of investments in Mutual Funds	0.01	-
Total Deferred Tax Assets	**0.95**	**0.88**
Total	**19.47**	**18.17**

Note - 19: CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31st March 2026	As at 31st March 2025
Secured		
Cash credit facility (Refer note no. 1 & 2 below)	171.39	164.71
ECLGS Facility (Emergency Credit Line Guarantee Scheme) (Refer note no. 3 below)	16.83	34.72
Current Maturity of Term Loans (Refer note no. 15)	8.31	8.45
Total	**196.54**	**207.89**

Notes :

1 The Cash Credit facility and packaging credit facility from banks ₹ 171.39 crore (P.Y 164.71 crore) is secured against first paripasu charge on entire current assets of the Parent company present and future. Second paripasu charge on entire fixed assets of the Parent company. The working capital loan is secured by personal guarantees of promoters namely Mr. Brijmohan D Chiripal, Mr. Ved Prakash Chiripal, Mr. Jyoti Prasad Chiripal and Mr. Jai Prakash Chiripal and by corporate guarantee of M/s Prakash calender Pvt Ltd and M/s Bhushan petrofills pvt. ltd. and Pledge of 10% promoters' holding in the name of Promoter guarantors as on 30th September 2018. i.e 29,92,099 equity shares of the Parent company, As on 31st March 2026, 1,75,33,677 equity shares (PY 1,75,33,677 equity shares) of the promoter.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

2 Effective interest rate of cash credit facility is in range of 8.65% p.a to 10.00% p.a (P.Y 9.50 % to 10.00%)

3 Effective interest rate of ECLGS facility is in range of 8.65% p.a to 9.25% p.a (P.Y 8.90% p.a. to 9.25%)

4 Details submitted to lenders on quarterly basis are in conformity with books of accounts.

5 Refer note no.42 to 44 for credit risk, liquidity risk and market risk for current financial liability

Note - 20: CURRENT FINANCIAL LIABILITIES - TRADE PAYABLE

Particulars	As at 31st March 2026	As at 31st March 2025
Trade Payables		
- For Micro and Small Enterprises for Goods (Refer note no. 39)	14.31	8.60
- For Micro and Small Enterprises for Services (Refer note no. 39)	0.02	0.15
- Other than Micro and Small Enterprises	88.20	116.89
Total	**102.53**	**125.63**

Note:

1 Details of Dues to Micro, Small & Medium Enterprises as defined under MSMED Act, 2006 This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Disclosure relating to aging of Trade payable for current and previous year

As at 31st March 2026

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Micro and Small Enterprises	14.33	-	-	-	-	14.33
Others	71.83	16.36	0.00	-	-	88.20
Disputed Micro and Small Enterprises	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-
Total	**86.17**	**16.36**	**0.00**	**-**	**-**	**102.53**

As at 31st March 2025

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 6 months	6months to 1 year	1-2 years	2-3 years	More than 3 years
Micro and Small Enterprises	5.55	3.20	-	-	-	8.75
Others	4.67	112.15	0.07	-	-	116.89
Disputed Micro and Small Enterprises	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-
Total	**10.21**	**115.35**	**0.07**	**-**	**-**	**125.63**

Note - 21: OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2026	As at 31st March 2025
Advance received from customers	0.66	0.29
Statutory liabilities	0.33	0.47
Security Deposit	3.00	-
Other	2.33	1.84
Total	**6.32**	**2.60**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note - 22: PROVISIONS

Particulars	As at 31st March 2026	As at 31st March 2025
Provision for employee Benefits (Refer note no 38)	1.28	2.08
Total	**1.28**	**2.08**

Note - 23: CURRENT TAX LIABILITIES (NET)

Particulars	As at 31st March 2026	As at 31st March 2025
Income Tax Provision	15.40	15.63
Less: Taxes Paid	(3.12)	(2.13)
Total	**12.28**	**13.50**

Note - 24 : REVENUE FROM OPERATIONS

Particulars	2025-26	2024-25
A-Revenue from operations		
Sale of Products (Excluding all Taxes)		
- Finished Goods	1,578.64	1,496.97
	1,578.64	**1,496.97**
B-Sale of Services	3.82	6.30
C-Other operating revenues		
- Scrap Sale	4.42	4.40
- Store Sale	0.03	0.16
- Lease Rental	15.19	12.00
Total	**1,602.11**	**1,519.83**

Note - 25 : OTHER INCOME

Particulars	2025-26	2024-25
a- Interest income	0.87	0.90
b- Others	0.22	0.20
c- Gain on fair value of investment in preference shares	0.04	0.48
d-Profit on sale of Asset	0.01	0.02
Total	**1.15**	**1.60**

Note - 26 : COST OF MATERIALS CONSUMED

Particulars	2025-26	2024-25
Stock of Raw material and Packing material at the beginning of the year	35.31	27.74
Add: Purchases (net)	1,383.51	1,372.79
Less : Stock of Raw material and Packing material at the end of the year	26.90	35.31
Cost of Raw material Consumed (Including Packaging Materials)	**1,391.92**	**1,365.22**

Note - 27 : CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	2025-26	2024-25
Inventories at the beginning of the year:		
Finished goods	67.01	56.65
Total	**67.01**	**56.65**
Inventories at the end of the year:		
Finished goods	24.32	67.01
Total	**24.32**	**67.01**
Changes in inventories of finished goods	**42.69**	**(10.36)**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note - 28 : CHANGES IN INVENTORIES OF STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	2025-26	2024-25
Inventories at the beginning of the year:		
Work-in-progress	12.75	9.58
Total	**12.75**	**9.58**
Inventories at the end of the year:		
Work-in-progress	12.01	12.75
Total	**12.01**	**12.75**
Changes in inventories of stock-in-trade and work-in-progress	**0.75**	**(3.17)**

Note - 29 : EMPLOYEE BENEFITS EXPENSE

Particulars	2025-26	2024-25
Salaries and wages	30.87	29.72
Contributions to provident and other funds (Refer note no.38)	0.22	0.53
Gratuity (Refer note no.38)	0.33	0.28
Leave Encashment (Refer note no.38)	0.07	0.01
Staff welfare expense	0.10	0.09
Total	**31.59**	**30.63**

Note - 30 : FINANCE COSTS

Particulars	2025-26	2024-25
Interest and finance charges on financial liabilities at fair value through profit or loss	23.12	26.43
Others	16.09	13.22
Total	**39.21**	**39.65**

Note - 31 : DEPRECIATION AND AMORTISATION EXPENSES

Particulars	2025-26	2024-25
Depreciation on property, plant and equipment (Refer note no.2)	25.71	26.89
Depreciation on Investment Property (Refer note no.2B)	5.92	6.30
Total	**31.63**	**33.20**

Note - 32 : OTHER EXPENSES

Particulars	2025-26	2024-25
Power and Fuel Expenses	2.49	2.63
Repairs and Maintenance		
To Building	0.01	0.01
To Machinery	1.55	1.54
To Others	1.80	1.66
	3.37	**3.21**
Insurance Expenses	0.90	0.87
Rates and taxes	0.91	0.90
Payments to auditors	0.17	0.14
Freight and transportation expenses	4.67	4.58
Donation	0.07	₹ 36,000
C S R Expenses (Refer note no. 48)	0.99	1.33
Dalali and commission	₹ 44,502	0.01
Other expenses	8.65	7.68
Total	**22.31**	**21.36**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Details of Payment to Auditors

Particulars	2025-26	2024-25
a) Auditor Remuneration		
I) Statutory Audit Fees	0.10	0.10
II) Tax Audit fees	0.03	0.03
III) For Other Services	0.03	₹ 20,000
b) Cost Audit Fees	0.01	0.01
Total	**0.17**	**0.14**

Note - 33 : TAX EXPENSES

Particulars	2025-26	2024-25
Current tax	15.40	15.70
Tax Expense related to Prior Year/paid/written back	(0.11)	(0.12)
Deferred tax	(4.31)	5.49
Total	**10.98**	**21.07**
Income tax relating to items that will not be classified to profit or loss	5.62	(₹ 4,318)
Income Tax recognized in OCI (B)	**5.62**	**(₹ 4,318)**
Total (A+B)	**16.60**	**21.07**

Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income tax is summarised below:

Particulars	2025-26	2024-25
Enacted income tax rate in India applicable to the Parent Company	25.62%	25.62%
Profit before tax	43.16	44.90
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	11.06	11.50
Tax effect of the amounts which are not deductible/ (taxable) in calculating taxable income		
Other deductible expenses	9.96	4.20
Deferred tax Expense (net)	(4.31)	5.49
Tax Expense related to Prior Year/paid/written back	(0.11)	(0.12)
Total tax expenses	**16.60**	**21.07**
Tax Expense related to Prior Year/paid/written back	-	-
Current year tax expense	16.60	21.07
Effective tax rate	**38.46%**	**46.93%**

B) Movement of Deferred tax assets and Liabilities

Deferred tax assets/(liabilities)

Particulars	As at 31st March 2026	As at 31st March 2025
Tax Liabilities due to temporary timing difference in respect of:		
Property, plant and equipment and investment property	13.14	17.43
Fair value of investments in equity instruments	6.81	1.13
Fair value of investments in Preference instruments	0.48	0.47
Amortisation of borrowing cost	0.00	0.02
Deferred tax liabilities	**20.43**	**19.05**
Tax Assets due to temporary timing difference in respect of:		
On Employee Benefits	0.93	0.87
On Finance Expenses	0.01	0.01

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Particulars	As at 31st March 2026	As at 31st March 2025
Deferred tax Assets	**0.95**	**0.88**
Net deferred tax assets/(Liabilities)	**19.47**	**18.17**
Less : Opening Deferred Tax Liability	18.17	12.68
Deferred tax credit / (expense) for the year	**1.31**	**5.49**
Carried to statement of Profit and Loss	(4.31)	5.49
Carried to Other Comprehensive Income	5.62	(₹ 4,318)

As at 31st March 2026

Movement during the year ended 31st March 2026	As at 1st April 2025	Credit/(Charge) in the statement of profit and loss
Property, plant and equipment and investment property	17.43	(4.29)
Fair value of investments in equity instruments	1.13	-
Fair value of investments in Preference instruments	0.47	0.01
Amortisation of borrowing cost	0.02	(0.02)
Leave encashment and gratuity	(0.87)	0.00
Finance Expenses	(0.01)	-
Fair value of investments in Mutual Funds	-	(0.01)
Net deferred tax assets/(liabilities)	**18.17**	**(4.31)**

As at 31st March 2025

Movement during the year ended 31st March 2025	As at 1st April 2024	Credit/(Charge) in the statement of profit and loss
Property, plant and equipment and investment property	11.97	5.46
Fair value of investments in equity instruments	1.15	-
Fair value of investments in Preference instruments	0.34	0.12
Amortisation of borrowing cost	0.43	(0.41)
On Employee Benefits	-	(0.85)
On Finance Expenses	-	(0.01)
Others	(1.21)	1.21
Net deferred tax assets/(liabilities)	**12.68**	**5.53**

Note - 34 : STATEMENT OF OTHER COMPREHENSIVE INCOME

Particulars	2025-26	2024-25
(i) Items that will not be reclassified to profit or loss		
1. Equity Instruments through Other Comprehensive Income	22.57	(0.07)
2. Remeasurement of defined benefit plans		
Actuarial gains and losses	0.15	0.07
	22.72	**₹ 26,475**
(ii) Income tax relating to these items that will not be reclassified to profit or loss		
Deferred Tax impact on equity instruments through other comprehensive income	(5.68)	0.02
Deferred Tax impact on actuarial gains and losses	0.06	(0.02)
	(5.62)	**(₹ 4,318)**
Total	**17.10**	**₹ 22,157**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note:

A) Disaggregated Revenue Information

Set out below is the disaggregation of the company's revenue from contracts with customers:

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
	Textiles	Textiles
Type of goods or service		
Sale of manufactured goods		
Textile Products	1,578.64	1,496.97
Sale of Services		
Job Work Charges	3.82	6.30
Other Operating Revenue		
Scrap Sale	4.42	4.40
Store Sale	0.03	0.16
Lease rental	15.19	12.00
Total revenue from contracts with customers	**1,602.11**	**1,519.83**
India	1,600.91	1,518.28
Outside India	1.20	1.56
Total revenue from contracts with customers	**1,602.11**	**1,519.83**
Timing of revenue recognition		
Goods transferred at a point in time	-	-
Total revenue from contracts with customers	**1,602.11**	**1,519.83**

Set out below, is the reconciliation of the renew from contracts with customers with the amounts disclosed in the segment information

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
	Textiles	Textiles
Revenue		
External customer	1,602.11	1,519.83
Inter-segment	-	-
Inter-segment adjustment and elimination	-	-
Total revenue from contracts with customers	**1,602.11**	**1,519.83**

B) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers

Particulars	As at 31st March 2026	As at 31st March 2025
Trade receivables*	647.85	526.34
Contract liabilities	-	-
Advances from customers (refer note no.21)	0.66	0.29

*Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days.

C) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	As at 31st March 2026	As at 31st March 2025
Revenue as per contracted price	1,620.10	1,534.57
Adjustments	-	-
Discount	17.99	14.73
Revenue from contract with customers	**1,602.11**	**1,519.83**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

D) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	As at 31st March 2026	As at 31st March 2025
Advances from customers	0.66	0.29
Total	**0.66**	**0.29**

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

Note - 35 : Assets Mortgage/Hypothecated as security

The carrying amount of assets Mortgage/Hypothecated as security for current and non-current borrowings are:

Assets description	31st March 2026	31st March 2025
First and / or Second charge		
I. Current Financial Assets		
Trade receivables	647.85	526.34
Current Financial Assets - Cash And Cash Equivalents	0.09	0.20
Current Financial Assets - Other Bank Balances	12.78	11.18
II. Current Assets		
Inventories	63.23	115.08
Other Current Assets	31.82	29.88
Total current assets hypothecated as security	**755.77**	**682.68**
First and / or Second charge		
III Property, Plant and Equipment		
A. Plant and equipments	73.60	90.96
B. Freehold land	-	-
C. Buildings	29.12	32.17
D. Lease Hold Improvements	9.93	10.04
E. Furniture & Fittings	2.26	3.43
F. Office Equipments	0.53	0.54
G. Vehicles	1.94	2.64
IV. Capital work in progress	0.39	-
V. Investment Property (Refer Note No. 2B)	50.48	56.52
VI. Non Current Financial Assets		
Investment	97.50	64.93
Other Financial Assets	1.24	0.65
VII. Other Non Current Assets	0.75	0.75
Total non-current assets hypothecated as security	**267.73**	**262.64**
Total Assets hypothecated as Security	**1,023.49**	**945.32**

Note - 36 : Contingent assets / liabilities not provided for in accounts :

Contingent liabilities :

Sr. No.	Particular	As at 31st March 2026	As at 31st March 2025
A	**Claims against the company not acknowledged as debt**		
1	For letters of credit (net off Margin)	7.40	14.82
2	For bank guarantee (net off Margin)	1.55	1.55
3	Corporate Guarantee Given	3.24	3.58
B	**For Direct Tax**	**2.58**	**2.48**

Notes:

1 The Parent company has reviewed all its pending litigations and proceedings and has adequately provided where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Parent company does not expect the outcome of these proceedings to have materially adverse effect on its financial position. The Parent company does not expect any reimbursement in respect of the above contingent liabilities.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

2 The Parent company has signed recourse agreement in favour of State Bank of India against EDFS facility provided by bank to our customer. The liability of the Parent company will arise only when customers make default in repayment of EDFS facility provided by bank. Outstanding as on 31st March 2026 all customer collectively has outstanding of ₹ 6.06 Crores (PY 10.26 Crores)against EDFS facility.

3 The Income Tax Department ("the Department") conducted a Search activity ("the Search" under Section 132 of the Income Tax Act) on the Company in July 2022. Subsequently, the Parent Company has provided all support and cooperation and the necessary documents and data to the Department, as requested by the Department. The Parent Company is examining and reviewing details of the matter and will take appropriate actions, including addressing regulatory actions, if and when they occur.

4 While the uncertainty exists regarding the outcome of the proceedings by the department, the Parent Company after considering all available information and facts as of date, has not identified the need for any adjustments to the current or prior period financial statements.

Note 37

An operating segment is a component of the Parent Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components and for which discrete financial information is available. The Company's chief operating decision maker (CODM) is considered to the Parent Company's Managing Director (MD). The Parent Company is engaged in the business of Production of Yarn and Processing of Fabric which are widely used in Textile Unit. Information reported to and evaluated regularly by the CODM for the purposes of resource allocation and assessing performance focuses on the business as a whole and accordingly, in the context of Operating Segment as defined under the Indian Accounting Standard 108 'Segment Information', there is no separate reportable segment.

	As at 31st March 2026			As at 31st March 2025		
	India	Outside India	Total	India	Outside India	Total
Revenue from operations*						
External	1,600.91	1.20	1,602.11	1,518.28	1.56	1,519.83
Internal Segment	-	-	-	-	-	-
Total Revenue	**1,600.91**	**1.20**	**1,602.11**	**1,518.28**	**1.56**	**1,519.83**
Other Information**						
Carrying cost of segment non current assets@	259.35	-	259.35	257.75	-	257.75
carrying cost of segment assets	1,015.12	-	1,015.12	940.43	-	940.43
Addition to property plant and equipment including intangible assets and Investment Property	2.51	-	2.51	12.36	-	12.36

Note:

* Based on location of customer

**Based on location of assets

@Excluding financial assets, and deferred tax assets

None of the entity's external customer account for 10 per cent of more of an entity's revenue

Note - 38 : Employment Benefit Plans

The Parent company operates post employment and other long term employee benefits defined plans as follows:

I. Defined Contribution plan

Contribution to Defined Contribution Plan, recognised as expenses for the year are as under:

Particulars	2025-26	2024-25
Employer's Contribution to Provident Fund	0.22	0.53

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

II. Defined Benefit Plan

The employee's gratuity fund scheme managed by a Trust is defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service to build up the final obligation. The obligation for leave encashment is recognised in the same manner as for gratuity.

Description	31st March 2026		31st March 2025	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
A. Reconciliation of opening and closing balances of Defined Benefit obligation				
a. Obligation as at the beginning of the year	4.06	1.71	4.12	1.75
b. Other Adjustment	(0.04)	(1.62)	-	-
c. Current Service Cost	0.30	0.06	0.26	0.03
d. Interest Cost	0.08	0.01	0.09	0.01
e. Actuarial Gain/(Loss)	(1.22)	0.01	(0.07)	(0.06)
f. Benefits Paid	(0.10)	(0.01)	(0.33)	(0.01)
g. Past Service Cost	-	-	-	-
h. Obligation as at the end of the year	3.09	0.17	4.06	1.71
B. Reconciliation of opening and closing balances of fair value of plan assets				
a. Fair Value of Plan Assets as at the beginning of the year	0.73	-	0.99	-
b. Expected return on Plan Assets	0.05	-	0.07	-
c. Actuarial Gain/(Loss)	-	-	0.00	-
d. Employer's Contributions	0.00	-	-	-
e. Benefits Paid	(0.10)	-	(0.33)	-
f. Fair Value of Plan Assets as at the end of the year	0.68	-	0.73	-
C. Reconciliation of fair value of assets and obligation				
a. Fair Value of Plan Assets as at the end of the year	0.68	-	0.73	-
b. Present Value of Obligation as at the end of the year	3.09	0.17	4.06	1.71
c. Amount recognised in the Balance Sheet	2.40	0.17	3.33	1.71
D. Investment Details of Plan Assets				
Bank balance	-	-	-	-
Invested with Life Insurance Corporation of India	0.68	-	0.73	-
E. Actuarial Assumptions				
a. Discount Rate (per annum)	7.50%	7.00%	6.55% to 7.00%	7.00%
b. Estimated Rate of return on Plan Assets (per annum)	Not Applicable	Not Applicable	Not Applicable	Not Applicable
c. Rate of escalation in salary (per annum)	6.00%	6.00%	6.00%	6.00%
F. Expenses recognised during the year				
Expenses recognised during the year				
(i). Current Service Cost	0.30	0.06	0.26	0.03
(ii). Interest Cost	0.08	0.01	0.09	0.01
(iii). Expected return on Plan Assets	(0.05)	-	(0.07)	-
(vI). Actuarial Gain/(Loss)	-	-	-	-
(v). Past Service Cost	-	-	-	-
(vi). Expense recognised during the year	0.33	0.07	0.28	0.04

Notes:

(i) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(ii) The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Parent Company's policy for management of plan assets.

G. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31st March 2026			
	Increase		Decrease	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (0.5% movement)	1.28	0.16	1.37	0.17
Salary growth rate (0.5% movement)	1.37	0.17	1.28	0.16

Particulars	31st March 2025			
	Increase		Decrease	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Discount rate (0.5% movement)	1.12	0.12	1.30	0.13
Salary growth rate (0.5% movement)	1.30	0.12	1.12	0.13

Note:

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Note - 39 : Due to Micro, Small and Medium Enterprises

Under the Micro Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 2nd October 2006, certain disclosers are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below

Particulars	As at 31st March 2026	As at 31st March 2025
Principal amount remaining unpaid to any supplier as at the year end	14.33	8.75
Interest due thereon	-	-
Amount of interest paid by the Parent Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during year.	-	-
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.	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	-	-

Note - 40 : Related party disclosures as per Ind AS 24

The names of related parties with relationship to whom transactions have taken place during the year:

I. Relationship:

A. **Promoters having control over the Parent company**

Sr. no.	Name
1	Brijmohan D Chiripal
2	Jyotiprasad D Chiripal
3	Vedprakash D Chiripal
4	Jayprakash D Chiripal

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

B. Entities over which Promoter exercise control

Sr. no.	Name of the entity
1	Chiripal Textile Mills Private Limited
2	Dholi Spintex Private Limited
3	Hunky Dory Travel Private Limited
4	Nandan Industries Private Limited
5	Nandan Terry Limited
6	Nova Textile Private Limited
7	Deepak Impex Private Limited
8	Quality Exim Private Limited
9	Shanti Education Initiatives Limited
10	Bhavana Textiles Private Limited
11	Grew Renewables Private Limited
12	Shanti Shirting Private Limited
13	Chiripal Industries Limited
14	Nandan Corporation LLP
15	Srikunj Weaving Private Limited
16	Grew Energy Private Limited

C. Entities over which Promoter has Significant Influence

Sr. no.	Name of the entity
1	Chiripal Charitable Trust
2	Dholi Integrated Spinning Park Limited
3	Vraj Integrated Textile Park Limited
4	Nandan Denim Limited
5	Narol Textile Infrastructure & Inviro Management
6	Prakash Calender Private Limited
7	Shree Maharaja Agrasen Seva Sansthan
8	Chiripal Foundation
9	Milestone Educom Trust
10	Happiness Reserves Foundation
11	Shanti Exports Private Limited
12	Hexa Biochem Private Limited
13	Shanti Spintex Limited

D. Key Management Personnel:

Sr. no.	Particulars	Designation
1	Brijmohan D Chiripal	Managing Director
2	Pramodkumar Sharma	Whole Time Director (Till 29th May, 2024)
3	Arvind Pandey	Whole Time Director (From 29th May, 2024)
4	Ravindrakumar Bajaj	Whole Time Director
5	Sushanta Kumar Panda	Independent Director
6	Shubhnkar Jha	Independent Director (Till 30th September, 2024)
7	Dhara Shah	Independent Director (Till 30th September, 2024)
8	Ramkrishna Dash	Independent Director (From 1st October, 2024)

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Sr. no.	Particulars	Designation
9	Roma Sanghani	Independent Director (From 1st October, 2024)
10	Vinay Thadani	Chief Executive Officer (Till 4th February, 2025)
11	Suketu Shah	Chief Executive Officer (From 5th February, 2025)
12	Dharmesh Dattani	Chief Financial Officer
13	Pooja Dhruve	Company Secretary (Till 24th April, 2025)
13	Dilip Nikhare	Company Secretary (From 25th June, 2025)
14	Dilip Nikhare	Relative of Director
15	Nupur Bajaj	Relative of Director
16	Simran Bajaj	Relative of Director

E Key Management Personnel compensation:

Particulars	2025-26	2024-25
Short-term employee benefits	0.01	0.02
Long-term post employment benefits	0.02	0.01
Total compensation	**0.03**	**0.03**

II. The following transactions were carried out with the related parties referred in above in the ordinary course of business (excluding reimbursement):

B.	Entities over which Promoter exercise control	2025-26	2024-25
1	**Sale of goods/services**	**4.13**	**3.66**
	Nandan Terry Limited	2.52	2.32
	Dholi Spintex Private Limited	1.61	1.32
	Chiripal Industries Limited	-	0.02
2	**Purchase of materials/services**	**26.82**	**30.95**
	Hunky Dory Travel Private Limited	0.01	0.01
	Nandan Terry Limited	₹ 14,945	-
	Quality Exim Private Limited	0.06	0.06
	Nova Textile Private Limited	0.99	18.91
	Deepak Impex Private Limited	23.11	6.02
	Grew Renewables Private Limited	0.04	0.04
	Shanti Shirting Private Limited	0.09	-
	Srikunj Weaving Private Limited	0.61	4.05
	Brijmohan D Chiripal	0.30	0.30
	Pritidevi B Chiripal	0.30	0.30
	Nandan Corporation LLP	1.29	1.25
3	**Investments**	**6.50**	**9.48**
	Chiripal Textile Mills Private Limited	-	3.49
	Nandan Industries Private Limited	6.50	-
	Quality Exim Private Limited	-	4.99
	Grew Energy Private Limited	-	0.99
4	**Advance for Investment**	**3.00**	
	Srikunj Weaving Private Limited	3.00	-
5	**Advances**	0.40	-
	Devkinandan Corporation LLP	0.40	-
6	**Net closing balance - Debit**	**8.75**	**10.22**
7	**Net closing balance - Credit**	**-**	**-**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

C.	Entities over which Promoter has Significant Influence	2025-26	2024-25
1	**Purchase of materials/Services**	**3.99**	**3.98**
	Dholi Integrated Spinning Park Limited	0.60	0.60
	Nandan Denim Limited	0.02	0.02
	Shanti Exports Private Limited	-	0.10
	Hexa Biochem Private Limited	0.07	0.07
	Shanti Spintex Limited	0.11	-
	Narol Textile Infrastructure & Inviro Management	3.19	3.19
2	**Guarantee Commission**	**0.01**	**0.01**
	Prakash Calender Private Limited	0.01	0.01
3	**Donation**	**0.99**	**0.41**
	Chiripal Charitable Trust	0.02	-
	Milestone Educom Trust	0.07	-
	Happiness Reserves Foundation	0.91	0.15
	Chiripal Foundation	-	0.05
	Shree Maharaja Agrasen Seva Sansthan	-	0.21
4	**Security Deposit**	**3.00**	**-**
	Shanti Spintex Limited	3.00	-
5	**Net closing balance - Debit**	**-**	**-**
6	**Net closing balance - Credit**	2.88	1.24
D.	**Key Management Personnel**	**2025-26**	**2024-25**
1	**Remuneration**		
	Brijmohan D Chiripal	**1.87**	**3.97**
	Dhara Shah	-	1.55
	Susanta Kumar Panda	-	₹ 40,000
	Ramkrishna Dash	0.03	0.01
	Roma Sanghani	0.03	0.01
	Ravindrakumar Bajaj	₹ 40,000	₹ 20,000
	Pramodkumar Sharma	0.31	0.42
	Arvind Pandey	-	0.03
	Vinay Thadani	0.18	0.14
	Suketu Shah	-	1.27
	Dharmesh Dattani	0.78	0.16
	Pooja Dhruve	0.35	0.27
	Dilip Nikhare	-	0.09
	Nupur Bajaj	0.10	-
	Simran Bajaj	0.06	-
2	**Net closing balance - Debit**	0.06	-
3	**Net closing balance - Credit**	**0.15**	**0.13**

III. Terms and conditions

A. Goods were sold during the year based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions at market rates. All outstanding balances are unsecured and are repayable in cash and bank.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note - 41 : Financial instruments – Fair values and risk management

I. Accounting classification and fair values

31st March 2026	Carrying amount				Carrying amount			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 Quoted price in active markets	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	Total
Financial assets measured at each reporting date								
Investments								
Listed equity instruments	-	0.14	-	0.14	0.14	-	-	0.14
Unquoted equity instruments	-	35.36	37.36	72.73	-	-	72.73	72.73
Unquoted preference instruments	10.25	-	5.74	15.99	-	-	15.99	15.99
Financial assets measured at amortised cost								
Other non current financial assets	-	-	1.24	1.24	-	-	1.24	1.24
Trade receivables	-	-	647.85	647.85	-	-	647.85	647.85
Cash and cash equivalents	-	-	0.09	0.09	-	-	0.09	0.09
Other bank balances	-	-	12.78	12.78	-	-	12.78	12.78
Total Financial Assets	**10.25**	**35.50**	**705.07**	**750.82**	**0.14**	**-**	**750.82**	**750.82**
Financial liabilities measured at amortised cost								
Non current borrowings	-	-	28.91	28.91	-	-	28.91	28.91
Current borrowings	-	-	196.54	196.54	-	-	196.54	196.54
Trade payables	-	-	102.53	102.53	-	-	102.53	102.53
Other Non Current Financial Liability	-	-	8.44	8.44	-	-	8.44	8.44
Total Financial Liabilities	**-**	**-**	**336.42**	**336.42**	**-**	**-**	**336.42**	**336.42**

31st March 2025	Carrying amount				Carrying amount			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 Quoted price in active markets	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	Total
Financial assets measured at each reporting date								
Investments								
Listed equity instruments	-	0.03	-	0.03	0.03	-	-	0.03
Unquoted equity instruments	-	12.90	30.87	43.77	-	-	43.77	43.77
Unquoted preference instruments	10.21	-	5.74	15.96	-	-	15.96	15.96
Financial assets measured at amortised cost								
Other non current financial assets	-	-	0.65	0.65	-	-	0.65	0.65
Trade receivables	-	-	526.34	526.34	-	-	526.34	526.34
Cash and cash equivalents	-	-	0.20	0.20	-	-	0.20	0.20
Other bank balances	-	-	11.18	11.18	-	-	11.18	11.18
Total Financial Assets	**10.21**	**12.93**	**574.98**	**598.12**	**0.03**	**-**	**598.12**	**598.12**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

31st March 2025	Carrying amount				Carrying amount			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 Quoted price in active markets	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	Total
Financial liabilities measured at amortised cost								
Non current borrowings	-	-	84.51	84.51	-	-	84.51	84.51
Current borrowings	-	-	207.89	207.89	-	-	207.89	207.89
Trade payables	-	-	125.63	125.63	-	-	125.63	125.63
Other Non Current Financial Liability	-	-	10.73	10.73	-	-	10.73	10.73
Total Financial Liabilities	**-**	**-**	**428.76**	**428.76**	**-**	**-**	**428.76**	**428.76**

Notes:

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements described below:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2 : Inputs other than the quoted prices included withing Level 1 that are observable for the asset or liability, either directly or indirectly.

II. Fair value of financial assets and liabilities measure at amortised cost

	31st March 2026		31st March 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments				
Other non current financial assets	88.86	88.86	59.75	59.75
Total financial assets	88.86	88.86	59.75	59.75
Financial liabilities				
Non current borrowings	28.91	28.91	84.51	84.51
Other non current financial Liabilities	8.44	8.44	10.73	10.73
Total financial liabilities	**37.35**	**37.35**	**95.24**	**95.24**

Notes:

The following methods and assumptions were used to estimate the fair values:

1) The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balance, other current financial liability, loans and other current assets are considered to be the same as their fair values, due to their short-term nature.

2) The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate.

3) The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

III. Measurement of fair values

A. Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
FVTOCI in unquoted equity shares	Market comparison technique: The valuation model is based on two approaches : 1. Asset approach - seek to determine the business value based on the value of it's assets. The aim is to determine the business value based on the fair market value of its assets less its liabilities. The asset approach is based on the economic principle of substitution which adopts the approach of cost to create another business similar to one under consideration that will produce the same economic benefits for its owners.	Comparable unobservable entity has been taken as a base for the valuation of unquoted equity shares	The estimated fair value would increase (decrease) if: There is a change in pricing multiple owing to change in earnings of the entity.
	2. Market approach - relies on signs from the real market place to determine what a business is worth. The market approach based valuation methods establish the business value in comparison to similar businesses. The methods rely on the pricing multiples which determine a relationship between the business economic performance, such as its revenues or profits, and its potential selling price. The valuation has been made considering the following weightage to the above approaches: Asset approach : 70% Market approach : 30%		

B. Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods

2. Sensitivity analysis

For the fair values of unquoted investments, reasonably possible changes at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effects.

Significant observable inputs	31st March 2026		31st March 2025	
	Other Comprehensive Income		Other Comprehensive Income	
	Increase	Decrease	Increase	Decrease
Unquoted equity instruments measured through OCI				
5% movement	1.77	1.77	0.64	0.64

Significant observable inputs	31st March 2026		31st March 2025	
	Profit & Loss Account		Profit & Loss Account	
	Increase	Decrease	Increase	Decrease
Unquoted preference instruments measured through profit and Loss account				
5% movement	0.80	0.80	0.80	0.80

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note - 42 : Financial risk management

The company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

1. Risk management framework

The parent Company's board of directors has overall responsibility for the establishment and oversight of the parent Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the parent Company's risk management policies.

The parent Company's risk management policies are established to identify and analyse the risks faced by the parent Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Parent Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Parent Company's audit committee oversees how management monitors compliance with the parent Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the parent Company,

2. Credit risk

Credit risk is the risk of financial loss to the parent Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the parent Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

The maximum exposure to credit risk for trade and other receivables are as follows:

A. Trade receivables

The parent company has developed guidelines for the management of credit risk from trade receivables. The parent company's exposure to credit risk is influenced mainly by the individual characteristics of each customer The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the parent company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses Given that the macro economic indicators affecting customers of the parent company have not undergone any substantial change, the parent company expects the historical trend of minimal credit losses to continue, Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Other financial assets

This balance primarily constitute of Bank fixed deposits having maturity of more than 12 months.

Cash and cash equivalents

The parent company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.

A.1. Impairment

At 31st March 2026, the ageing of trade and other receivables that were not impaired was as follows.

Particulars	Carrying amount 31st March 2026			Carrying amount 31st March 2025		
	Gross	Provision	Net	Gross	Provision	Net
Not Due	333.25	-	333.25	339.07	-	339.07
Less than 6 months	289.83	-	289.83	135.03	-	135.03
6months to 1 year	3.07	-	3.07	8.55	-	8.55
1-2 years	1.90	-	1.90	27.02	-	27.02
2-3 years	3.55	-	3.55	1.28	-	1.28
More than 3 years	16.65	-	16.65	15.39	-	15.39
	648.25	**-**	**648.25**	**526.34**	**-**	**526.34**
% of expected credit losses (More than 365 days)	0.39		0.39			-

The above receivables which are past due but not impaired are assessed on individual case to case basis and relate to a number of independent third party customers from whom there is no recent history of default. These financial assets were not impaired as there had not been a significant change in credit quality and the amounts were still considered recoverable based on the nature of the activity of the customer portfolio to which they belong and the type of customers. There are no other classes of financial assets that are past due but not impaired except for Trade receivables as at 31st March 2026 and 31st March 2025.

Note - 43 : Financial instruments – Fair values and risk management

Liquidity risk

Liquidity risk is the risk that the Parent Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Parent company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Parent company's reputation.

The Parent company has current financial assets which the management believes is sufficient to meet all its liabilities maturing during the next 12 months.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, including contractual interest.

B. The Parent company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31st March 2026	As at 31st March 2025
Fund Base	28.61	35.29
Expiring within one year (bank overdraft and other facilities)		
Non Fund Base	19.58	29.11
Expiring within one year		

C. Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31st March 2026	Carrying amount	Less than 12 months	1-2 years	3-5 years	More than 5 years	Total
Financial liabilities						
Non current borrowings*	37.22	8.31	15.90	13.01	-	37.22
Current borrowing	171.39	171.39	-	-	-	171.39
ECLGS Facility*	16.83	9.36	7.47	-	-	16.83
Trade payable	102.53	102.52	0.00	-	-	102.53
Other current financial liabilities	8.44	-	-	-	8.44	8.44

*includes interest

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

31st March 2025	Carrying amount	Less than 12 months	1-2 years	3-5 years	More than 5 years	Total
Financial liabilities						
Non current borrowings*	92.96	8.45	16.15	68.35	-	92.96
Current borrowing	164.71	164.71	-	-	-	164.71
ECLGS Facility*	34.72	18.17	16.06	0.48	-	34.72
Trade payable	125.63	125.56	0.07	-	-	125.63
Other current financial liabilities	10.73	-	-	-	10.73	10.73

*includes interest

Note - 44 : Financial instruments – Fair values and risk management

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Parent company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

A. Currency risk

The functional currency of the Parent Company is Indian Rupee. The Parent Company is exposed to currency risk on account of payables and receivables in foreign currency. The Parent has formulated policy to meet the currency risk.

Parent company does not use derivative financial instruments for trading or speculative purposes.

1. **Foreign Currency Exposure**

Particulars	Currency	31st March 2026	31st March 2025
a) Against export	USD	-	-
	INR	-	-
b) Net statement of financial exposure	USD	-	-
	INR	-	-

2. **Sensitivity**

Profit or loss is sensitive to higher / lower changes in fluctuation currency rate:

As on 31st March 2026	Impact on profit before tax	
Particulars	**Increase**	**Decrease**
Currency rates (5% increase/ decrease)	-	-
USD		

As on 31st March 2025	Impact on profit before tax	
Particulars	**Increase**	**Decrease**
Currency rates (5% increase/ decrease)	-	-
USD		

B. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Parent company adopts a policy to ensure that maximum interest rate exposure is at a fixed rate. This is achieved by entering into fixed-rate instruments.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

1. **Exposure to interest rate risk**

The exposure of the Parent company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31st March 2026	As at 31st March 2025
Fixed-rate instruments		
Financial assets	14.02	11.82
Financial liabilities	-	-
Total	**14.02**	**11.82**
Variable-rate instruments		
Financial liabilities	225.45	292.39
Total	**225.45**	**292.39**

As at the end of the reporting period, the company had the following variable rate borrowings outstanding:

As on 31st March 2026	Bank loans
Weighted average interest rate	9.41%
Balance (₹ in crore)	225.45
% of total loans	100.00%

As on 31st March 2025	Bank loans
Weighted average interest rate	10.00%
Balance (₹ in crore)	292.39
% of total loans	100.00%

2. **Sensitivity**

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates:

As on 31st March 2026	Impact on profit before tax	
Particulars	**Decrease**	**Increase**
Interest rates (0.50% increase/ decrease)	1.13	1.13

As on 31st March 2025	Impact on profit before tax	
Particulars	**Decrease**	**Increase**
Interest rates (0.50% increase/ decrease)	1.46	1.46

3. **Fair value sensitivity analysis for fixed-rate instruments**

The Parent company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Group does not have any designate derivatives (interest rate swaps). Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Note - 45 : Disclosure relating to various ratios

Sr. No.	Ratio Name	Particulars	Ratio 2025-26	Ratio 2024-25	% of Variance	Reason for Variance
1	Current Ratio	Current Assets	2.37	1.94	22.07%	NA
	(In times)	Current Liability				
2	Debt Service Coverage Ratio	EBIDTA	3.46	2.92	18.79%	NA
	(In times)	(Interest+Repayment)				
3	Inventory Turnover Ratio	Sales	17.97	14.54	23.59%	NA
	(In times)	Average Inventory				
4	Trade Payable Turnover Ratio	Net Purchase	12.13	12.53	-3.21%	NA
	(In times)	Average Trade Payable				

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Sr. No.	Ratio Name	Particulars	Ratio 2025-26	Ratio 2024-25	% of Variance	Reason for Variance
5	Net Profit Ratio	Net Profit	2.22	1.91	16.55%	NA
	(In %)	Net Sales				
6	Debt-Equity Ratio	Total Debt	0.35	0.61	-42.87%	Due to repayment of unsecured Loan.
	(In times)	Total Shareholder Equity				
7	Return on Equity ratio	Net Income	6.33	6.51	-2.75%	NA
	(In %)	Average Shareholder's Equity				
8	Trade Receivable Turnover Ratio	Net Sales	2.73	2.93	-6.89%	NA
	(In times)	Average Trade Receivable				
9	Net Capital Turnover Ratio	Net Sales	3.67	4.59	-20.12%	NA
	(In times)	Working Capital				
10	Return on Capital Employed Ratio	EBIT	9.24	10.71	-13.72%	NA
	(In %)	Capital Employed				
11	Return on Investment	Refer Note no. 1 below	50.16	30.21	66.03%	Due to increase in the fair value of Investment.
	(In %)					

Note:

1 **Return on Investment**

(MV(T1) - MV(T0) - SUM [C(T)])

(MV(T0) + SUM [W(T) * C (T)])

Where,

T1 = End of time period, T2 = Beginning of time period

T = Specific date falling between T1 and T0

MV(T1) = Market value at T1, MV(T0) = Market value at T0

C(t) = Cash inflow, Cash outflow on specific date

W(T) = Weight of net cash flow (i.e. either net inflow or outflow) on day 'T', Calculated as [T1 - T]/T1

Note - 46 : Capital management

For the purpose of the Parent company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Parent company's capital management is to maximise the shareholder value.

The Parent company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Parent company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Parent company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Parentcompany includes within net debt, borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations

Particulars	As at 31st March 2026	As at 31st March 2025
Total Liabilities	377.07	466.41
Less : Cash and bank balances	12.86	11.38
Adjusted net debt	**364.20**	**455.03**
Total equity	646.69	479.20
Adjusted net debt to adjusted equity ratio	**0.56**	**0.95**

In order to achieve this overall objective, the Parent Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any borrowing in the current period.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2026 and 31st March 2025.

Note - 47 : Earnings per share

Particulars	[Number of shares] As at 31st March 2026	[Number of shares] As at 31st March 2025
Issued equity shares	247610003	197610003
Weighted average shares outstanding - Basic - A	234049401	197610003
Weighted average shares outstanding - Diluted - B	234049401	225281236

Net profit available to equity holders of the Parent Company used in the basic and diluted earnings per share was determine as follows:

Particulars	As at 31st March 2026	As at 31st March 2025
Profit and loss after tax for Basic EPS - C	35.64	29.01
Profit and loss after tax for Diluted EPS - D	35.64	29.01
Basic Earnings per share [C/A] [₹]	1.52	1.47
Diluted Earnings per share [D/B] [₹]	1.52	1.29

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

Note - 48 : Expenditure on corporate social responsibility activities

The details of corporate social responsibility as prescribed under section 135 of the Companies Act, 2013 is as follows:

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
I. Amount required to be spent by the Parent company during the year	0.99	1.33
II. Amount spent by the Parent company during the year on:		
a) Construction/acquisition of any assets	-	-
b) For purpose other then (a) above	0.99	1.33
III. Shortfall at the end of the year	-	-
IV. Total of previous year shortfall	-	-
V. Reason of Shortfall	NA	NA
VI. Amount carried forward at the end of the year	-	-

VII. Nature of CSR activities–To promoting education, employement enhancing vocation skills especially among children and women.

Note - 49 :

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

a. The Parent company does not have any Benami property, where any proceeding has been initiated or pending against the Parent company for holding any Benami property.

b. The Parent company has a Fund-based and Non-fund-based limits of Working Capital from Banks and Financial institutions. For the said facility, the Parent company has submitted Stock and debtors statement to the bank on monthly basis as also the Quarterly Information Statements. The average difference is not material and is less than 1% of amount of stock and debtors, which is on account of valuation, provisions, etc.

c. The Parent company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

d. The Parent company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Company Act, 1956.

e. The Parent company has compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

f. The Parent company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;

   (1) 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

   (2) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

g. The Parent company does not have any transactions which is not recorded in the books of accounts but 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).

h. The Parent company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note - 50 :

The financial statements are approved by the audit committee and Board of Directors at its meeting held on 20th May 2026. The said financial statements are subject to approval of Share Holders in Annual General Meeting.

Note - 51 :

Parent Company has given guarantees during the year and in previous year and disclosure under section 186(4) of the companies Act 2013 is given below.

Particulars	2025-26	2024-25
Corporate guarantee given to Narol Textile Infrastructure & Inviro Management for Common Effulant Treatment Plant (CETP) and balance at the year end	3.24	3.58
Investment during the year in Unquoted Equity Instruments Associate Entities (At Cost)		
Chiripal Textile Mills Private Limited	-	3.49
Nandan Industries Private Limited	6.50	-
Quality Exim Private Limited	-	4.99
Investment as on date in Unquoted Equity Instruments Associate Entities (At Cost)		
Chiripal Textile Mills Private Limited	26.25	24.56
Nandan Industries Private Limited	10.53	3.34
Quality Exim Private Limited	9.22	8.15
Investment as on date in Unquoted preference shares (At Cost)		
Quality Exim Private Limited	3.95	3.95
Nandan Industries Private Limited	1.79	1.79
Advances paid against investments		
Srikunj Weaving Private Limited	3.00	-

Note - 52 :

Figures have been presented in 'crore' of rupees with two decimals. Figures less than ₹ 50,000 have been shown at actual in brackets

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

Note - 53 :

Pursuant to the notification issued by the Ministry of Labour and Employment, The Government of India has consolidated 29 existing labour legislations into a united framework comprising 4 Labour Codes referred as the "New Labour Codes" which became effective from 21st November 2025. The Parent Company is currently evaluating the financial implication on its employee benefit obligation. As the evaluation is currently in progress, the financial impact is not reasonably determinable at this stage. Consequently no adjustment has been made in the financial results for the period.

Note - 54 : Comparatives / Regrouping and Reclassification

Comparatives (amounts and other disclosures for the preceding reporting year) are included as an integral part of the current year's financial statements. Figures of the previous year have been regrouped / reclassified wherever necessary to correspond with the current year's presentation and classification.

Note - 55 : Events occurring after the reporting period

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of 20th May 2026 there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

Note - 56 :

Disclosures pursuant to Ind AS 112 "Disclosure of interest in other entities" : Associates companies

a) **Summarised Balance Sheet of Associates Companies**

Particulars		As at 31st March 2026			As at 31st March 2025		
		Associates Companies			Associates Companies		
		Chiripal Textile Mills Private Limited	Nandan Industries Private Limited	Quality Exim Private Limited	Chiripal Textile Mills Private Limited	Nandan Industries Private Limited	Quality Exim Private Limited
Current Assets							
Cash and bank balances		1.06	1.23	1.49	3.82	3.74	4.07
Other Assets		175.83	90.17	116.13	175.03	102.80	107.74
Total Current Assets	**(A)**	**176.89**	**91.39**	**117.62**	**178.85**	**106.54**	**111.81**
Total Non Current Assets	**(B)**	**62.92**	**42.47**	**54.59**	**69.65**	**47.47**	**58.61**
Current Liabilities							
Financial Liabilities (Excluding Trade Payable)		(46.57)	(34.79)	(21.64)	(54.79)	(39.46)	(26.29)
Other Current Liabilities (Including Trade payable)		(60.93)	(24.31)	(66.29)	(60.14)	(32.79)	(57.29)
Total Current Liabilities	**(C)**	**(107.50)**	**(59.10)**	**(87.93)**	**(114.93)**	**(72.25)**	**(83.58)**
Non Current Liabilities							
Financial Liabilities (Excluding Trade Payable)		(42.49)	(16.25)	(19.78)	(44.92)	(24.46)	(23.76)
Other Non current Liabilities (Including Trade Payable)		(10.60)	(5.76)	(12.94)	(11.96)	(5.80)	(12.37)
Total Current Liabilities	(D)	(53.10)	(22.01)	(32.72)	(56.88)	(30.26)	(36.13)
Net Assets	**(A+B+C+D)**	**79.21**	**52.75**	**51.55**	**76.69**	**51.50**	**50.71**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

b) Reconciliation of carrying amounts of Associates entities :

Particulars	FY 2025-26			FY 2024-25		
	Associates Companies			Associates Companies		
	Chiripal Textile Mills Private Limited	Nandan Industries Private Limited	Quality Exim Private Limited	Chiripal Textile Mills Private Limited	Nandan Industries Private Limited	Quality Exim Private Limited
Opening Net Assets	76.69	51.50	50.71	66.91	46.84	45.29
Profit/ (Loss) for the year	4.00	2.50	2.81	8.68	3.61	3.74
Other Comprehensive income for the year	(1.49)	(1.25)	(1.93)	1.11	1.06	1.67
Closing Net assets	**79.21**	**52.75**	**51.59**	**76.69**	**51.50**	**50.71**
Group's share % (Refer Note 1 & 2 below)	42.36%	27.25%	37.92%	42.36%	23.17%	37.92%
	33.55	**14.37**	**19.56**	**32.49**	**11.94**	**19.23**
Other Adjustments	(7.30)	(10.34)	(10.35)	(7.93)	(8.60)	(11.08)
Additional Investment made during the year	-	6.50	-			
Group's share	26.25	10.54	9.22	24.56	3.34	8.15
Carrying Amount of Investment in Associates Company	26.25	10.54	9.22	24.56	3.34	8.15

Notes

1 On 24th March 2025, the Parent company acquired an additional 4.64% equity interest in Chiripal Textile Mills Private Limited, an existing associate. The acquisition increased the Parent company's ownership interest from 37,72% to 42.36%. The total consideration paid for the additional shares was 3.49 crore.

2 On 19th March 2025, the Parent company acquired an additional 9.89% equity interest in Quality Exim Private Limited, an existing associate. The acquisition increased the Parent company's ownership interest from 28.03% to 37.92%. The total consideration paid for the additional shares was 4.99 crore.

3 On 28th April 2025, the Parent Company acquired an additional 12.24% equity interest in Nandan Industries Private Limited, an existing associate, for a total consideration of ₹ 6.50 crore, thereby increasing its ownership interest from 23.17% to 35.41%. Subsequently, Nandan Industries Private Limited issued bonus shares in the ratio of 1:2 to shareholders holding shares as on 31st March 2025. As the Parent Company's additional shares acquired on 28th April 2025 were not eligible for the bonus issue, its ownership interest was diluted from 35.41% to 27.25%.

C) Summarised Statement of Profit and Loss of Associates Companies:

Particulars	FY 2025-26			FY 2024-25		
	Associates Companies			Associates Companies		
	Chiripal Textile Mills Private Limited	Nandan Industries Private Limited	Quality Exim Private Limited	Chiripal Textile Mills Private Limited	Nandan Industries Private Limited	Quality Exim Private Limited
Revenue	676.81	271.21	271.87	607.14	268.80	260.12
Other Income	0.13	0.40	0.52	0.59	0.37	0.57
Expenses	(671.61)	(268.42)	(268.46)	(595.92)	(263.51)	(255.74)
Tax Expenses	(1.32)	(0.68)	(1.11)	(3.14)	(2.05)	(1.20)
Profit/(Loss) for the year (A)	4.00	2.50	2.81	8.68	3.61	3.74
Other Comprehensive income (B)	(1.49)	(1.25)	(1.93)	1.11	1.06	1.67
Total Comprehensive income (A+B)	**2.51**	**1.25**	**0.89**	**9.79**	**4.66**	**5.41**

Notes to Consolidated Financial Statements

for the year ended 31st March 2026

D) Carrying amount of investments in Associates entities

Name of Associates	As at 31st March 2026	As at 31st March 2025
Chiripal Textile Mills Private Limited	26.25	24.56
Nandan Industries Private Limited	10.53	3.34
Quality Exim Private Limited	9.22	8.15
Total	**46.00**	**36.04**

E) Share in profit/(loss) of associates (net):

Name of Associates	As at 31st March 2026	As at 31st March 2025
Chiripal Textile Mills Private Limited	1.70	3.29
Nandan Industries Private Limited	0.70	0.84
Quality Exim Private Limited	1.07	1.05
Total	**3.47**	**5.17**

Material Accounting Policies 1

The accompanying Notes 2 to 56 are integral part of the Financial Statements.

As per our report of even date

For **S V J K and Associates**
Chartered Accountants
Firm Registration No: 135182W

Reeturaj Verma
Partner
Membership No.: 193591
UDIN: 26193591HEIKRR7270

Place: Ahmedabad
Date: May 20,2026

For and on behalf of the Board of Directors of **Vishal Fabrics Limited**
CIN : L17110GJ1985PLC008206

Brijmohan Chiripal
Managing Director
DIN : 00290426

Ravindrakumar Bajranglal Bajaj
Whole-Time Director
DIN : 08243855

Suketu Shah
Chief Executive Officer

Dharmesh Dattani
Chief Financial Officer

Dilip Nikhare
Company Secretary
Mem No: A45570

Place: Ahmedabad
Date: May 20,2026

Notes :

Notes :

VISHAL
FABRICS LTD

CIN: L17110GJ1985PLCOO8206

Registered Office:

Shanti Corporate House, Near Hira Rupa Hall,Bopal - Ambli Road, Bopal, Ahmedabad - 380058.
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Email: cs.vfl@vishalfabrics.co.in | Web: www.vishalfabricsltd.com