

02nd September, 2026

To The Bombay Stock Exchange Ltd. Corporate Relationship Dept, 1st Floor, New Trading Ring, Rotunda Building, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001	To The Calcutta Stock Exchange 7, Lyons Range, Dalhousie, Kolkata-700001, West Bengal
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Ref: Scrip Code: - 521151

Scrip ID: - DHANFAB

Sub: 34th Annual Report for the financial year 2025-26

Dear Sir/ Madam,

Pursuant to Regulation 34 (1) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the soft copy of 34th Annual Report of the Company for the financial year 2025-26 along with the notice of 34th Annual General Meeting of the Company scheduled to be held on Thursday, 24th September, 2026 at 12:30 P.M.

The 34th Annual General Meeting is scheduled to be held on Thursday, 24th September, 2026 at 12:30 P.M. through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI").

The 34th Annual Report for the financial year 2025-26 is also available on the website of the Company at i.e. <http://dfl.net.in/>

Kindly take the same on your record.

Thanking You

Yours Faithfully

For Dhanlaxmi Fabrics Limited

Vinod

Sohanlal

Jhawar

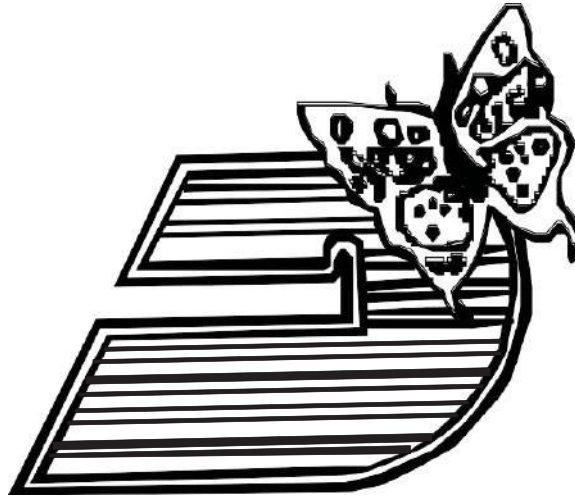
Digitally signed by Vinod
Sohanlal Jhawar
DN: cn=Vinod Sohanlal Jhawar,
o, ou, email=Vinod@123, c=IN
Date: 2026.09.02 18:00:00
+05'30'

Mr. Vinod S Jhawar

(Managing Director)

DIN: 00002903

Encl: 34th Annual Report for F.Y. 2025-26



Dhanlaxmi

Fabrics Limited

(CIN: L17120MH1992PLC068861)

34th Annual Report 2025-26

BOARD OF DIRECTORS AND KMPS

NAME	DESIGNATION	DIN/PAN	Date of Cessation
Mr. Vinod S Jhawar	Managing Director & Chairman	00002903	-
Mr. Mahesh S Jhawar	Director	00002908	-
Mr. Mukul Vinod Jhawar	Whole Time Director & Chief Financial Officer	07966851	-
Mr. Darshan Tarachand Jain*	Independent Director	07261947	-
Ms. Ayushi Gilra	Independent Director	08511294	-
Mr. Athul Rungta	Independent Director	00305731	-
Ms. Shivanshi Mishra	Company Secretary & Compliance Officer	DEVPM7274G	30 th May 2025
Mrs. Swathi Samantha	Company Secretary & Compliance Officer	GZXP55174M	-

PRINCIPLE BANKERS:

AXIS Bank and
The Shamaro Vital Co-Operative Bank

STATUTORY AUDITORS:

M/S. R H A D & CO.
304, Sohan Commercial Plaza, Navghar Road, Vasai
(East), Mumbai – 401210

INTERNAL AUDITORS:

M/s. Sunil Bangar & Associates
327, V Mall, Asha Nagar, Thakur Complex, Kandivali
(East), Mumbai – 400101

SECRETARIAL AUDITOR:

M/S. Kothari H. & Associates
1A, Satya Apartment, Opp. Kandivali MTNL Building, S.
V, Road, Kandivali (W), Mumbai - 400 067

REGISTAR & TRANSFER AGENT:

BIG SHARE SERVICES PVT LTD
CIN: U99999MH1994PTC076534
S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East) Mumbai - 400093
Board No.: 022-62638200 / 8268 Fax No: 022-62638299 | Phone: 7045454391
Email: shwetash@bigshareonline.com | investor@bigshareonline.com

LISTING OF EQUITY SHARES:

BOMBAY STOCK EXCHANGE
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Tel: 91-
22-22721233/4, 91-22-66545695
CALCUTTA STOCK EXCHANGE
7, Lyons Range, Dalhousie, Kolkata-700001, West Bengal
Tel: (033) 4025 3000

CORPORATE / COMMUNICATION ADDRESS:

401/402, Kailash Corporate Lounge, Park Site, Vikroli (West), Mumbai- 400079.
Tel: 091-22-251811102/103
Email: info@dfi.net.in Website: <http://www.dfi.net.in/>

REGISTERED OFFICE:

Bhopar Village, Manpada Road, Dombivli (East), Thane - 421204, Maharashtra.
Tel: 091-22-251811102/103 | Fax No. 091-0251-2870545
Email: cscompliance@dfi.net.in | Website: <http://www.dfi.net.in/>

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NOTICE IS HEREBY GIVEN THAT THE 34th ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S. DHANLAXMI FABRICS LIMITED (CIN: L17120MH1992PLC068861) WILL BE HELD ON THURSDAY, 24TH SEPTEMBER, 2026 AT 12:30 P.M. THROUGH VIDEO CONFERENCING/OTHER AUDIO-VISUAL MEANS AT DEEMED VENUE IS REGISTERED OFFICE TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESSES:

1. To receive, consider and adopt the Annual Audited Standalone and Consolidated Financial Statements consisting of the Balance Sheet as at **March 31, 2026**, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and Explanatory Notes annexed to, and forming part of, any of the above documents together with the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Vinod Sohanlal Jhawar (DIN: 00002903) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible offers himself for re-appointment.

“RESOLVED THAT pursuant to the provision of section 152(6) of the Companies Act, 2013 and rules made thereto Mr. Vinod Sohanlal Jhawar (DIN: 00002903), who retires by rotation and being eligible for re-appointment, be and is hereby re- appointed as a Director of the Company liable to retire by rotation.”

Date: 14.08.2026

REGISTERED OFFICE:

Bhopar Village, Manpada Road,
Dombivali (East), Thane- 421204
Maharashtra, India
Email: cscompliance@dfi.net.in | Tel: 251811102/103

By Order of the Board

Sd/-
Vinod S. Jhawar
(Managing Director
DIN: 00002903

IMPORTANT COMMUNICATION TO MEMBERS – GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by the Companies and has issued a Circular stating that service of all documents including Annual Reports can be sent by e-mail to its members. Your Company believes that this is a remarkable and environment friendly initiative by MCA and requests all Members to support in this noble cause. The Company has already embarked on this initiative and proposes to send documents including Annual Reports in electronic form to the Members on the email address provided by them to the R&T Agent/the Depositories. The Members who hold shares in physical form are requested to intimate/update their email address to the Company/R&T Agent while Members holding shares in Demat form can intimate/update their email address to their respective Depository Participants. Members are requested to further note that they will be entitled to be furnished, free of cost, the physical copy of the documents sent by e-mail, upon receipt of a requisition from them, any time, as a Member of the Company.

Notes:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is attached hereto.
2. Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 02/2022 and 10/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 5th May, 2022 and dated December 28, 2022 respectively issued by the Ministry of Corporate Affairs ("MCA") (collectively referred to as "MCA Circulars") read with Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 12th May, 2020, 15th January, 2021, 13th May, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 respectively issued by the Securities and Exchange Board of India (collectively referred to as "SEBI Circulars") companies are allowed to hold Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM till September 30, 2024.
3. Pursuant to the provisions of the Companies Act, 2013 ("the Act"), a member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this Meeting will be held through VC/OAVM, in accordance with the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Corporate Members intending to have their representatives attend the Meeting pursuant to Section 113 of the Act, are requested to send to the Company a certified copy of the relevant Board Resolution together with the specimen signature of the representative(s) authorized to attend and vote on their behalf at the Meeting.
5. The additional details of Directors retiring by rotation/ seeking appointment/re-appointment, pursuant to Regulation 36(3) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations") and the Secretarial Standards issued by the Institute of Company Secretaries of India, is annexed as Annexure I and forms part of this Notice.
6. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from, Friday, September 18, 2026 to Thursday, September 24, 2026 (both days inclusive).
7. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
9. The Members can join the EGM/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 EGM/AGM through VC/OAVM will be made available to atleast 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 EGM/AGM without restriction on account of first come first served basis.

10. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
11. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.dfl.net.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
13. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
14. In continuation to this Ministry's General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30th September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 21.09.2026 at 9:00 AM and ends on 23.09.2026 at 5:00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17.09.2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

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

provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

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

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

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

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

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

(ix) Click on the EVSN for the relevant Dhanlaxmi Fabrics Limited on which you choose to vote.

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

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

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

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

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cscompliance@dfi.net.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING THE MEETING ARE AS UNDER:

1.The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.

2.The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3.Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.

4.Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

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

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

7.Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but

have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

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

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, AVP, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

Date: 14.08.2026

REGISTERED OFFICE:

Manpada Road, Bhopar Village,
Dombivali (East), Thane- 421204
Maharashtra, India
Email: c COMPLIANCE@DFL.NET.IN | Tel: 251811102/103

By Order of the Board

**Sd/-
Vinod S. Jhawar
(Managing Director)**

DIN: 00002903

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (In pursuance of Regulation 36(3) of the LODR Regulation, 2015)

Name of the Director	Vinod Sohanlal Jhawar
Date of Birth	23.01.1992
DIN	00002903
Designation	Chairman and Managing Director
Academic Qualifications	Commerce Graduate
Expertise in specific functional areas/Brief Resume	Mr. Vinod Sohanlal Jhawar is having an experience of more than 35 years in the Business of Textile Industry. He is one of the senior most Executive of the Company has been associated in the service since formation of the Company. He is the main promoter and navigator of the Company. He is entrusted with the powers and authority to manage the affairs of the Company. His role revolves into diverse fields of Finance, Law, Taxation and Corporate affairs. It requires long term strategy and in depth knowledge of the Textile market to remain more efficient cost effective and competitive. He is having vast experience of Corporate management and possesses all required competences.
Date of first appointment on Board	01.11.2009
Directorship in other companies	• NANDIKA MULTITRADE PRIVATE LIMITED • DHANLAXMI EXPORT FABRIC PRIVATE LIMITED • PROMTECH IMPEX PRIVATE LIMITED • DHANESH FABRICS PRIVATE LIMITED • VARSHRITA MULTITRADE PRIVATE LIMITED • WESTERN CHLORIDES AND CHEMICALS PRIVATE LIMITED
Membership of Committees of the board along with listed entities from which the Director has resigned in the past three years	None
No. of Shares held in the Company	15,30,478 equity shares
Number of Board Meeting attended during the financial year	6 meetings
Remuneration and other terms & conditions of appointment/re-appointment	He is entitled to sitting fees for attending Board meeting as approved by Board of Directors.
Remuneration paid/payable for the Financial Year 2025-26	42,00,000
Relation with other Directors or Key Managerial Personnel	Father of Mr. Mukul Jhawar.

BOARD OF DIRECTOR'S REPORT

**To The Members of
Dhanlaxmi Fabrics Limited**
L46411MH1992PLC068861
Mumbai

Your Directors have pleasure in presenting their 34th Annual Report on the business operations and activities of the Company together with the Audited Accounts for the Financial Year ended 31st March, 2026.

FINANCIAL RESULTS:

Summary of the Company's financial performance for F.Y. 2025-26 as compared with the previous financial year is given below:

Particulars	F.Y. 2025-2026		F.Y. 2024-2025	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operation	580.53	2438.97	928.39	1311.20
Revenue from other Income	11.14	142.18	162.00	182.85
Total Revenue	591.67	2581.15	1090.39	1494.05
Profit before Dep. & Int.	(152.29)	(335.83)	(280.32)	(265.21)
Depreciation	0.27	30.53	62.61	62.98
Interest	1.59	19.69	30.90	41.69
Profit after Depreciation & Interest and before Tax	(6.13)	(277.59)	(373.83)	(369.88)
Exceptional Items	(144.30)	(108.46)	446.77	446.77
Profit after Exceptional Items	(150.43)	(386.05)	72.94	76.89
Provision for Taxation	-	0	-	0.64
Provision for Tax (deferred)	(40.69)	(55.72)	72.41	75.52
Provision for Taxation for earlier year	0	0.02	(8.22)	(8.22)
Profit/Loss after Tax	(109.74)	(330.35)	8.75	8.95

HIGHLIGHTS:

Your Company's main activity is centered into trading, manufacturing, weaving and processing of textile and yarn and all allied products/services. As can be clearly seen from the highlights that the Company's' the total revenue generation from the current year and profit for the year of the Company has been reduced.

In order to enhance the Company's business prospects and diversify its operations, the Board of Directors has proposed to broaden the Main Object Clause of the Memorandum of Association to encompass activities with significant future growth potential. Accordingly, subject to the requisite approvals, it is proposed to amend the Main Object Clause by including Real Estate Development and Leasing as an additional business activity. The Board believes that this strategic expansion will enable the Company to explore new business opportunities, diversify its revenue streams, and create long-term value for its stakeholders.

During the financial year ended 31st March 2026, your Company recorded a turnover of Rs. 2,581.15 Lakhs, registering a significant increase from Rs. 1,494.05 Lakhs in the previous financial year. The Company reported a loss before tax of Rs. 386.05 Lakhs for the year under review, as against a profit before tax of Rs. 76.90 Lakhs in the previous financial year. The Profit after Tax stood at Rs. -330.35 Lakhs, compared to Rs. 8.95 Lakhs in the previous year.

The management of the Company hereby is very optimistic regarding the performance of the Company in future and taking every steps and making every effort to turn the Company into a more profitable organization.

DIVIDEND:

During the year, your directors have not recommended any dividend on Equity shares for the year under review.

AMOUNT TO BE TRANSFERRED TO RESERVES:

No funds were transferred to General Reserves. For the year under review, Company has added the entire available surplus to the brought forward balance in "Statement of Profit and Loss", without making any transfer to the general reserve.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company was not required to transfer any amount to unclaimed dividend to investor education and protection fund.

DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 (1) and 74 of the Companies Act, 2013 read together with the companies (Acceptance of Deposits) Rules, 2014.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Composition of the Board during the year was as per the provisions of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Companies Act, 2013.

Ms. Shivanshi Mishra who was appointed to act as Company Secretary & Compliance Officer of the company with effect from August 31, 2024 and ceased to act as such with effect from May 30, 2025.

Mrs. Swathi Kanai Samantha was appointed to act as Company Secretary & Compliance Officer of the company with effect from August 28th, 2025.

None of the Directors are disqualified for appointment/ re-appointment under Section 164 of the Act. As required by law, this position is also reflected in the Auditors' Report.

As required under Regulation 36(3) of the listing Regulations with the stock exchanges, the information on the particulars of Directors proposed for appointment/re-appointment has been given in the notice of annual general meeting.

DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134 (3) (c) of the Companies Act, 2013, and based on the information provided by management, your Directors' state that:

- (a) In the preparation of the annual accounts for the financial year ended 31st March, 2026 the applicable accounting standards have been followed.
- (b) Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the State of affairs of the corporation as at the end of 31st March, 2026 and of the profit of the Company for the year ended on that date.
- (c) Proper and sufficient care to the best of their knowledge and ability 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.
- (d) The Annual Accounts of the Company have been prepared on the on-going concern basis.
- (e) That they have laid down internal financial controls commensurate with the size of the Company and that such financial controls were adequate and were operating effectively.
- (f) That system to ensure compliance with the provisions of all applicable laws was in place and was adequate and operating effectively.

DECLARATION OF INDEPENDENCE BY DIRECTORS:

The Independent Non-Executive Directors of the Company, viz. Mr. Darshan Tarachand Jain, Ms. Ayushi Gilra, Mr. Athul Rungta has affirmed that they continue to meet all the requirements specified under Regulation 16(1)(b) of the LODR Regulation, 2015 in respect of their position as an "Independent Director" of Dhanlaxmi Fabrics Limited. The Independent Directors of the Company have confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014. The Nomination and Remuneration Committee had adopted principles for identification of Key Managerial Personnel, Senior Management including the Executive Directors.

Further, all the Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their liability to discharge their duties.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and that they hold the highest standards of integrity.

Details of Familiarisation Programme for the Independent Directors are provided separately in the Corporate Governance Report.

DISCLOSURE FROM INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 134 of the Companies Act, 2013 with respect to the declaration given by the Independent Director of the Company under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations, the Board hereby confirms that all the Independent Directors have given declarations and further confirms that they meet the criteria of Independence as per the provisions of Section 149(6) read with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended.

The Independent Directors have confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

POLICIES ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The policies of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Act is available on the website on this link: <http://www.dfl.net.in/company-profile.html>

EVALUATION OF BOARD OF DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Independent Directors was completed.

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

The Board as a whole was evaluated on various parameters like Board Composition & Quality, Board Meetings and Procedures, adherence to the Code of Conduct etc. Based on each of the parameter, the Board of Directors formed an opinion that performance of Board as a whole has been outstanding.

MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

The Board has carried out the annual evaluation of its own performance, of each of its Committee and of all individual Directors, as required under the provisions of Section 134(3)(p) of the Companies Act, 2013 and the applicable provisions of Listing Regulations. The manner in which such performance evaluation exercise was carried out is given below:

The Nomination and Remuneration Committee (NRC) carries out the evaluation process at initial stage, followed by evaluation by Board. The performance evaluation framework is in place to seek the response of each Director on the evaluation of the entire Board and Individual Directors, on defined parameters.

The criteria of evaluation of Board as well as that of its each Committee; and individual Directors, including the Chairman of the Board; as defined by NRC in this regard, includes attendance and contribution of each Director at the meetings or otherwise, independent judgment, adherence to code of conduct and business ethics, monitoring of regulatory compliance, risk management and review of internal control system, etc.

The performance of the Board and Individual Directors was also evaluated by the Board seeking inputs from all Directors on aforesaid parameters.

The performance of Committees was evaluated by the Board seeking inputs from concerned Committee Members. A separate meeting of the Independent Directors was also held to review the performance of Non-Independent Directors; performance of the Board as a whole and performance of the Chairman of the Company, taking into account the views of Executive as well as Non-Executive Directors. The Board of Directors expressed their satisfaction with the evaluation process.

Details of program for familiarization of Independent directors of the company are accessible on your company website at <https://www.dfl.net.in/investor.php?category=familiarization-programme>

MEETING OF INDEPENDENT DIRECTORS:

The meeting of Independent Directors was scheduled on 30th January 2026. All the Independent Directors of the Board were present in the meeting.

STATUTORY AUDITORS:

M/S. R H A D & CO., Statutory Auditor of the Company has audited books of account of the Company for the financial years ended March 31, 2026 and have issued the Auditor's Report thereon. There are no qualifications or reservation or adverse remarks or disclaimers in the said report.

The Statutory Auditors M/S. R H A D & CO., Chartered Accountants have issued their reports on Standalone & Consolidated Financial Statements for the financial year 2025-2026.

No frauds have been reported by the Statutory Auditors during the financial year 2025-2026 pursuant to the provisions of Section 143(12) of the Companies Act, 2013.

AUDITORS REPORT:

Observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments under Section 134(1) of the Companies Act, 2013.

INTERNAL AUDITORS:

The Internal and operational audit is entrusted to M/s. Sunil Bangar & Associates., (FRN – 146654W) Chartered Accountant, Mumbai. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.

The Audit Committee of the Board of Directors, Statutory Auditors and the Key Managerial Personnel are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

FRAUDS REPORTED BY THE AUDITORS

Auditors have not reported any incident of fraud to the Audit Committee/Board of Directors, in their respective report, for the periods reviewed by them.

SECRETARIAL AUDIT:

The Audit Committee recommended the Name of M/s. Kothari H & Associates, Company Secretary in practice for conducting Secretarial Audit for F.Y. 2025-26 pursuant to the requirements of Section 204(1) of the Act, and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Company has one (1) material subsidiary, namely **Dhanesh Fabrics Private Limited**, in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Secretarial Audit Report as received is appended to this Report as **Annexure I**.

The Secretarial Audit Report for material subsidiary as received is appended to this Report as **Annexure II**.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

Pursuant to provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 a statement containing salient features of the financial statements of the Subsidiary Companies in Form AOC-1 is **Annexure III** in this Board's Report.

Pursuant to the provisions of Section 136 of the Companies Act, 2013 the financial statements of the Company, consolidated financial statements together with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS:

The Company is committed to maintain highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. In Compliance with Regulation 34 and Schedule V of SEBI (LODR) Regulations, 2015 report on the Corporate Governance, along with a certificate from the Statutory Auditors of the Company on compliance with the provisions is annexed and forms part of the Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

As per the provisions of Companies Act, 2013 and Regulation 23 of 'Listing Regulations', the Company has formulated a Policy on Related Party Transaction to ensure transparency in transactions between the Company and the related parties. The said Policy is available at link of 'Company Policies' page on the company's website at <http://dfl.net.in/company-profile.html>.

During the year under review, there were no material transactions, as defined under the provisions of 'Listing Regulations', between the company and related parties. All transactions with related parties were carried out in the ordinary course of business at arms' length basis and details of such transactions are mentioned in notes attached to the financial statements, appearing elsewhere in the Annual Report.

The particulars of contract or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC-2 are appended as **Annexure-IV**.

CORPORATE SOCIAL RESPONSIBILITY

The Company has in place a Corporate Social Responsibility Policy in line with Schedule VI of the Companies Act, 2013 as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The provision of the Companies Act, 2013 relating to CSR Initiatives are not applicable to the Company for the year under review.

ANNUAL RETURN:

As required under the provisions of Section 92(3) read with section 134(3)(a) of the Companies Act, 2013, a copy of the relevant Annual Return is available on the website of the Company at www.dfl.net.in under Investor Announcement tab under given link - <https://www.dfl.net.in/investor.php?category=annual-return>

NUMBER OF MEETINGS OF THE BOARD:

The Board met 6 (Six) times during the financial year, the details of which are given in Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

POSTAL BALLOT:

The Company has not conducted any Postal Ballot in the year 2025-26 for seeking approval of the members in the General Meeting.

COMMITTEES OF THE BOARD:

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder's Relationship Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

CODE OF CONDUCT:

The Board of Directors of the Company has laid down required Code of Conduct. It has also adopted Code for Independent Directors as per Schedule IV of the Companies Act, 2013. All Board members including Independent Directors and Senior Management Personnel have affirmed compliance with the respective Code of Conduct for the year under review. The Code of Conduct is available on the Company's website www.dfl.net.in.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Particulars of Loans, Guarantees and Investments made during the year as required under the provisions of Section 186 of the Act are given in the notes to the Financial Statements forming part of this Annual Report.

Disclosures pursuant to Para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") have been made in the notes to the Financial Statements forming part of this Annual Report.

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION:

Particulars required to be disclosed in pursuance of the provisions of Section 197, read with rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under.

Sr. No.	Name of the Directors/KMPs	Remuneration / Setting fees Received (Rs. In Lacs)	% Increase in the year ended 2025-26	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Vinod S Jhawar (Chairman & Managing Director)	42.00	-	

2	Mr. Mukul V Jhavar (Director)	24.00	-	
3	Mr. Mahesh S Jhavar (Director)	-	-	
5	Ms. Ayushi Gilra (Independent Director)	0.40	-	
6	Mr. Athul Rungta (Independent Director)	0.40	-	
7	Mr. Darshan Tarachand Jain (Independent Director)	0.40	300%	
8	Ms. Shivanshi Mishra (CS & Compliance Officer)	2.68	-	
9	Mrs. Swathi Samantha (CS & Compliance Officer)	2.40	-	

* Ms. Shivanshi Mishra who was appointed to act as Company Secretary & Compliance Officer of the company with effect from August 31, 2024 and ceased to act as such with effect from May 30, 2025

** Ms. Swathi Samantha was appointed as a Company and Compliance officer of the Company w.e.f. 28.08.2025

In terms of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee(s) drawing remuneration in excess of limits set out in said rules forms part of the annual report.

- The median remuneration of employees of the Company during the financial year 2025-26 was '2.92 lakh.
- In the financial year 2025-26, there was an increase of 0.31 lakh (10.61%) in the median remuneration of employees.
- During the year under review there were total 18 employees who were on the roll of the Company.
- Total decrease in remuneration paid to Directors during F.Y. 2024-25 is '15.00 lakh as compared to previous year;
- Whereas Profit after Tax -176.52 (in Lakhs) 'as compared profit of 8.75 lakh in 2024-25.
- Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company (i.e. Remuneration of KMP for the year is '69.6 lakh as compared to '101.95 lakh in previous year) the overall total remuneration of the Key Managerial Personnel(s) has been decreased by around '32.05 lakh in 2025-26; and the company has incurred loss of '-176.52 lakh as compared to the profit of '8.75 lakh in the previous year.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

Particulars as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules 1988 are given is **Annexed V** to this report.

FOREIGN EXCHANGE:

Inflow and Outflow of Foreign Exchange are given is **Annexed VI** to this report.

RISK MANAGEMNT AND INTERNAL CONTROL:

The Company has the risk management and internal control framework in place commensurate with the size of the Company. The details of the risks faced by the Company and the mitigation thereof are discussed in detail in the Management Discussion and Analysis report that forms part of the Annual Report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has established a vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the Management, the concerns about behavior of employees that raise concerns including fraud by using the mechanism provided in the Whistle Blower Policy. The details of the said Policy are included in the Report on Corporate Governance which forms part of the Annual Report.

During the financial year 2025-26, no cases under this mechanism were reported in the Company and any of its subsidiaries/ associates.

POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

As required under the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with rules made thereunder, the Company has constituted an "Internal Complaints Committee" which is responsible for Redressal of complaints related to sexual harassment. The necessary disclosure in terms of requirements of Listing Regulations in this regard is given below:

- a) Number of complaints filed during the financial year – Nil
- b) Number of complaints disposed of during the financial year – Nil
- c) Number of complaints pending as on end of financial year – Nil

The company has framed policy in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year 2025-26, no cases in the nature of sexual harassment were reported at any workplace of the Company.

CFO CERTIFICATION:

The Chief Financial Officer Certification as required under Regulation 17(8) read with Part B of Schedule II of the SEBI (LODR) Regulation, 2015 declaration about the Code of Conduct is Annexed to this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators or Courts or Tribunals, which would impact the 'going concern' status of the Company and its future operations. However, members' attention is drawn to the details about Contingent Liabilities and Commitments appearing in the Notes forming part of the Financial Statements.

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

No material changes and commitments affecting the financial position of the Company occurred during Financial Year 2025-26, till the date of this report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

In order to enhance the Company's business prospects and diversify its operations, the Board of Directors has proposed to broaden the Main Object Clause of the Memorandum of Association to encompass activities with significant future growth potential. Accordingly, subject to the requisite approvals, it is proposed to amend the Main Object Clause by including Real Estate Development and Leasing as an additional business activity.

INSURANCE OF ASSETS:

All the fixed assets, finished goods, semi-finished goods, raw material, packing material and goods of the company lying at different locations have been insured against fire and allied risks.

LISTING OF SHARES:

Equity Shares of your Company are listed on Bombay Stock Exchange and Calcutta Stock Exchange and the Company has paid the necessary Listing Fees for the Year 2025-26. The Company has executed a New Listing Agreement with the Bombay Stock Exchange pursuant to SEBI (LODR) Regulation 2015.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

As the company is not falling under the Top-1000 listed entities, based on market capitalization, as at 31/03/2026, the provisions of regulation 34(2)(f) of the Listing Regulations pertaining to the Business Responsibility and Sustainability Report (BRSR), are not applicable.

SHARE CAPITAL:

The paid-up Equity Share Capital as on March 31, 2026 is Rs. 8,58,11,000/- consisting of 85,81,100 equity shares of Rs.10/- each. During the year under review, the Company has not issued any share with differential voting rights; nor granted stock options nor sweat equity. As on March 31, 2026, none of the Directors and/or Key Managerial Person of the Company hold instruments convertible into Equity Shares of the Company.

COMPLIANCE WITH THE PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961:

The Company has complied with the provisions relating to the Maternity Benefits Act, 1961.

COMPLIANCE WITH SECRETARIAL STANDARDS:

Your Company has complied with the applicable Secretarial Standards i.e SS-1 and SS-2, relating to 'Meeting of Board of Directors' and 'General Meetings' respectively.

PROCEEDINGS PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

No application has been made under the Insolvency and Bankruptcy Code; hence 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.

OTHER DISCLOSURES

i. No application has been made under the Insolvency and Bankruptcy Code; hence 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; and

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

ACKNOWLEDGEMENT:

The Board of Directors wishes to express sincere thanks to Bankers, Shareholders, clients, Financial Institutions, customers, suppliers and employees of Companies for extending support during the year.

FOR & ON BEHALF OF THE BOARD

Sd/-

Vinod S Jhavar
(Managing Director)
DIN: 00002903

Sd/-

Mukul V Jhavar
(Whole Time Director)
DIN: 07966851

Place: Mumbai

Date: 14.08.2026

Registered Office:

Dhanlaxmi Fabrics Limited

L17120MH1992PLC068861

Bhopar Village, Manpada Road,

Dombivli (East), Thane - 421204, Maharashtra

☒ Email: cscompliance@dfi.net.in | Website: www.dfi.net.in

☒ Contact No. : 091-0251-2870589/ 590/ 591

ANNEXURE – I

MR-3 **SECRETARIAL AUDIT REPORT**

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

We have conducted the Secretarial Audit of the of applicable compliance & statutory provisions and the adherence to corporate practices by M/s. **Dhanlaxmi Fabrics Limited** (hereinafter called the 'Company') for the audit period covering the financial year from 1st April 2025 to 31st March 2026 ('the audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the M/s. **Dhanlaxmi Fabrics Limited** for the financial year ended on 31st March 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 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 overseas Direct Investment and External Commercial Borrowings;
- v.) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

(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, 2009;

(d.) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014 - **during the financial year under review, the Company has not issued any shares/options to directors/employees under the (ESOP) said guidelines / regulations. Hence the provisions of the said regulation are not applicable to the company;**

(e.) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **the Company has not issued any debt securities which were listed during the year under review, the said regulations are not applicable to the company;**

(f.) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993 –

(g.) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **the equity shares of the company are neither delisted nor proposed to be delisted. Hence the provision of said regulation not applicable to the company;**

(h.) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **The Company has not bought back or propose to buy-back any of its securities during the year under review, the said regulations are not applicable to the company;**

vi.) Having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the following laws are also applicable on company;

I. Maharashtra state Tax on Professions, Trades, Callings and Employments Act 1975;

II. Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017;

I have also examined compliance with the applicable clauses of the following

- Secretarial Standards with respect to Meeting of Board of Director (SS-1), General Meeting (SS-2) and Dividend (SS-3) issued by The Institute of Company Secretaries of India related to Board meetings, General Meeting and Dividend;
- The Listing Regulations Issued by the SEBI i.e. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the observation following observation during the year:

I 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.
- Proper notice is given to all Directors to schedule the Board meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, 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,
- Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

I 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 except granting of Loans and scale of operation over purchase and sale of shares, and Inadequate Internal Financial Controls over Statutory Dues, Payments to Govt. and Sundry Debtors

During the audit period, there were no instances of:

- (i) Public/Rights/debentures/ sweat equity.
- (ii) Redemption/buy-back of securities.
- (iii) Merger/ amalgamation/ reconstruction etc.
- (iv) Foreign technical collaborations.

Note:

- 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.

For **Kothari H. & Associates**
Company Secretaries

Hitesh Kothari
(Partner)
FCS No: F6038
COP NO: 26758

Place: Mumbai
Date: 14.08.2026

UDIN: F006038H001123220

Annexure A

**To,
The Members of
M/s. Dhanlaxmi Fabrics Limited
Bhopar Village, Manpada Road, Dombivli (E), Thane, Maharashtra, 421204**

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

Management's Responsibility

1.It is the Responsibility of Management of the Company to maintain Secretarial records, device 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.Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

3.I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

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

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

Disclaimer

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

**For Kothari H. & Associates
Company Secretaries**

**Hitesh Kothari
(Partner)
FCS No: F6038
COP NO: 26758
PRN: 8012/2026**

**Place: Mumbai
Date: 14.08.2026**

UDIN: F006038H001123220

ANNEXURE – II

MR-3 **SECRETARIAL AUDIT REPORT**

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

We have conducted the Secretarial Audit of the of applicable compliance & statutory provisions and the adherence to corporate practices by M/s. **Dhanesh Fabrics Limited** (hereinafter called the 'Company') for the audit period covering the financial year from 1st April 2025 to 31st March 2026 ('the audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the M/s. **Dhanesh Fabrics Limited** for the financial year ended on 31st March 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 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 overseas Direct Investment and External Commercial Borrowings;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992: **the Company is not listed, hence the said regulations are not applicable to the company.**
 - vi. Having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the following laws are also applicable on company;
 - I. Maharashtra state Tax on Professions, Trades, Callings and Employments Act 1975;
 - II. Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017;
- I have also examined compliance with the applicable clauses of the following

➤ Secretarial Standards with respect to Meeting of Board of Director (SS-1), General Meeting (SS-2) and Dividend (SS-3) issued by The Institute of Company Secretaries of India related to Board meetings, General Meeting and Dividend;

During the period under review, the Company has complied with the provisions of the Act, Rules, Guidelines, Standards, etc. mentioned above except the observation following observation during the year:

I 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.
- Proper notice is given to all Directors to schedule the Board meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, 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,
- Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

I 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 except granting of Loans and scale of operation over purchase and sale of shares, and Inadequate Internal Financial Controls over Statutory Dues, Payments to Govt. and Sundry Debtors

During the audit period, there were no instances of:

- (i) Public/Rights/debentures/ sweat equity.
- (ii) Redemption/buy-back of securities.
- (iii) Merger/ amalgamation/ reconstruction etc.
- (iv) Foreign technical collaborations.

Note:

- 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.

For **Kothari H. & Associates**
Company Secretaries

Hitesh Kothari
(Partner)
FCS No: F6038
COP NO: 26758
PRN: 8012/2026

Place: Mumbai
Date: 14.08.2026

UDIN: F006038H001253251

Annexure A

**To,
The Members of
M/s. Dhanesh Fabrics Limited
Bhopar Village, Manpada Road, Dombivli (E), Thane, Maharashtra, 421204**

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

Management's Responsibility

1.It is the Responsibility of Management of the Company to maintain Secretarial records, device 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.Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

3.I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

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

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

Disclaimer

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

**For Kothari H. & Associates
Company Secretaries**

**Hitesh Kothari
(Partner)
FCS No: F6038
COP NO: 26758**

**Place: Mumbai
Date: 14.08.2026**

UDIN: F006038H001253251

ANNEXURE-III

ANNEXURE TO THE DIRECTOR'S REPORT FORM NO. AOC-1

Salient feature of Financial Statement of Subsidiary Companies As at 31st March, 2026

(Rupees in Lakhs except rate)

Name of Subsidiaries	Western Chlorides & Chemicals Pvt Ltd	Dhanesh Fabrics Pvt Ltd
Reporting Currency	INR	INR
Rate	1.00	1.00
Capital	3.00	1.00
Reserves	19.11	101.63
Total Assets	24.75	137.77
Investments Other than Investment in Subsidiary	Nil	Nil
Turnover	Nil	538.14
Profit before Taxation	-5.77	5.79
Provision for Taxation	Nil	0.018
Profit After Taxation	-192.53	5.77
Proposed Dividend	NIL	NIL
% of Shareholding	99.97	99.99

FOR & ON BEHALF OF THE BOARD

Sd/-	Sd/-
Vinod S Jhavar	Mukul V Jhavar
(Managing Director)	(Whole Time Director)
DIN: 00002903	DIN: 07966851

Place: Mumbai
Date: 14.08.2026

Registered Office:
Dhanlaxmi Fabrics Limited
L17120MH1992PLC068861
Bhopar Village, Manpada Road,
Dombivli (East), Thane - 421204, Maharashtra
✉ Email: cscompliance@dfi.net.in | Website: www.dfi.net.in
✉ Contact No. : 091-0251-2870589/ 590/ 591

ANNEXURE - IV

FORM AOC-2

RELATED PARTY TRANSACTION:

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

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

- 1) Details of material contracts or arrangements or transactions not at arm's length basis: ***Not Applicable***
- 2) Details of material contracts or arrangements or transactions at arm's length basis.

Name of Related party	Nature of Contract/ arrangements/ transactions	Duration of the contract arrangement transactions	Salient terms of contract/ arrangement/ transactions, Including the value, If any	Date(s) of approval by the Board	Amounts paid as advance(s) if any
Dhanesh Fabrics Pvt Ltd (Subsidiary)	Sale of Fabrics/Yarn	2025-26	Sale of Fabrics/Yarn of Rs. 267.25 Lakh	30.05.2026	-
	Purchase of Fabric/Yarn	2025-26	Purchase of Fabrics Rs. 398.87 Lakh	30.05.2026	-
	Lease rent received	2025-26	Rent Received of 0.61 Lakh for use of premises as Register office	30.05.2026	-
	Reimbursement of Expenses	2025-26	Reimbursement of courier charges of Rs. 0.06 Lakh	30.05.2026	-
	Loan Given	2025-26	Unsecured Loan given of Rs. 30 Lakh given during the year	30.05.2026	
Western Chlorides & chemical Pvt Ltd (Subsidiary)	Lease Rent Paid	2025-26	Payment of Lease rent of 36 Lakh for land taken on lease for installation of process house at Manpada Road Bhopar Village,Dombivali	30.05.2026	-
Promtech Impex Pvt Ltd (Group Company)	Interest received	2025-26	Interest Received of Rs. 31.04 Lakh	30.05.2026	-
	Rent Received	2025-26	Rent received of Rs. 0.62 Lakh for use of premises as Register office	30.05.2026	-
	Repayment of loan	2025-26	Repayment of Unsecured Loan of Rs. 340 Lakh given during the year	30.05.2026	-

Note: All of the above transaction are at arm length basis and were executed in ordinary course of business.

FOR & ON BEHALF OF THE BOARD

Sd/-
Vinod S Jhavar
(Managing Director)
DIN: 00002903

Sd/-
Mukul V Jhavar
(Whole Time Director)
DIN: 07966851

Place: Mumbai
Date: 14.08.2026

ANNEXURE – V & VI

Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo:

During the year under review, the company had strict control on wasteful electrical consumption.

Conservation of Energy :		
1	Energy conservation measures taken.	Adequate Measures Taken
2	Investment and proposals, if any, being implemented For reduction of consumption	NA
3	Impact of measures at (1) and (2) above for reduction of energy Consumption and consequent impact on the cost of production of Goods.	Marginal
4	Total energy consumption any energy consumption per unit of Production are as under	As below

Sr. No	Particulars		Year ended 31.03.2026 Rs. In Lakhs	Year ended 31.03.2025 Rs. In Lakhs
A	Powers and Fuel consumption Process Division Yarn + Fabrics)			
1	Electricity			
	a) Purchased Unit			
	MSED	(Units in lacs)	0.66665	0.84
	Total Amount (in Rs.)	(Rs. In Lacs)	33.81	33.86
	Average per Unit	(Rs. Per Unit)	50.71	40.27
	b) Own Generation (Through DG Set)			
	Units		Nil	Nil
	Diesel Oil Consumption in Ltrs		Nil	Nil
	Total Amount		Nil	Nil
	Average Rate per Ltr.			
2	Coal	M. Tonnes		
	Quantity		Nil	Nil
	Total Amount		Nil	Nil
	Avg. rate Per Ltr.		Nil	Nil
B	Consumption per lakh kg of Production			
1	Production		Nil	Nil
	Electricity		Nil	Nil
	Diesel Oil		Nil	Nil
	Coal		Nil	Nil
C	Weaving Division Power Consumption			
1	Electricity Purchased			
	Units	Units in Lacs	31.21	29.24
	Total Amount	Rs. In Lacs	174.32	157.77
	Avg. Rate / Unit	Rs.	5.58	5.39
2	Production	Meter in Lacs	48.54	47.13
3	Cost of Power per Mtrs		3.59	3.35

TECHNOLOGY ABSORPTION:	The company does not need any technology up-gradation for its existing business.
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FOREIGN EXCHANGE EARNINGS AND OUTGO:	2025-26	2024-25
Foreign Exchange Outgo	4.75 Lakhs	41.19 Lakhs
Foreign Exchange Earnings	-	-

FOR & ON BEHALF OF THE BOARD

Sd/-
Vinod S Jhavar
(Managing Director)
DIN: 00002903

Sd/-
Mukul V Jhavar
(Whole Time Director)
DIN: 07966851

Place: Mumbai
Date: 14.08.2026

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(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

INTRODUCTION:

Corporate Governance represents the value framework, rules, practices by which a Company conducts its business activities. Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. Shareholders, employees, suppliers, customers and society in general.

The fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

We believe in adopting the best in class Corporate Governance practices and strive to improve them continuously. We emphasize the importance of transparency and accountability in all our businesses. We believe good Corporate Governance is not just a principle but it is embedded in the manner every individual working in our companies conducts himself/herself.

Our actions are governed by our values and principles, which are reinforced at all levels within the Company. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical, in the interest of our stakeholders and is in compliance with applicable legislation. Our values reflect our continued commitment to ethical business practices across our operations.

Securities and Exchange Board of India has issued guidelines on the Corporate Governance for all listed companies. These are incorporated in Listing Regulations. We have started following these guidelines diligently.

Our multiple initiatives towards maintaining the highest standards of governance are detailed:

BOARD OF DIRECTORS:

Composition of the Board

As on 31st March 2026, the Company's Board of Directors comprised of Six Directors of which Mr. Vinod S. Jhawar is the Managing Director and Chairman, Mr. Mukul V. Jhawar is Whole Time Director, Mr. Mahesh Jhawar is Executive Director. The remaining three Directors, namely Mr. Dharshan Tarachand Jain, Mrs. Ayushi Gilra and Mr. Athul Rungta, were Non-Executive Independent Directors. The composition of the Board was in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the requirement relating to the appointment of a Woman Director.

*Ms. Shivanshi Mishra has tendered her resignation for better prospects reasons w.e.f. 30.05.2025.

**Mrs. Swathi Kanai Samanta was appointed as the Company Secretary and Compliance Officer w.e.f. 28.08.2025.

The Board has received confirmation from the Non- Executive and Independent Directors that they qualify to be considered as independent as per the definition of 'Independent Director' stipulated in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Companies Act, 2013 (hereinafter called "the Act"). None of the Independent Directors of the Company is related to each other.

The number of Directorship and Committee Chairmanship/Memberships held by the Directors in other Public companies as on 31st March 2026 are given below:

Sr. No.	Name of Director	Designation	No. of Other Directorship in listed cos.	No. of equity shares held in Co.	Member/ Chairperson of the committee	
					Member	Chairman
1	Mr. Vinod S Jhawar	M.D & Chairman	0	15,30,478	-	-
2	Mr. Mukul V Jhawar	Whole Time Director	0	60,000	-	-
3	Mr. Mahesh S Jhawar	Executive Director	1	2,61,873	-	-
4	Ms. Ayushi Gilra	Independent Director	0	-	2	1
5	Mr. Athul Rungta	Independent Director	0	-	1	2
6	Mr. Darshan Tarachand Jain	Independent Director	0	-	3	0

- ✓ None of the Directors hold directorships in more than twenty Companies of which Directorship in Public Companies does not exceed ten in line with the provisions of Section 165 of the Act.
- ✓ None of the Directors hold membership of more than ten Committees of Board, nor, is a Chairman of more than five Committees across Board of all listed entities.
- ✓ No Director holds Directorship in more than seven listed entities.
- ✓ None of the Independent Director holds the position of the Independent Director in more than seven listed companies as required under the Listing Regulations.
- ✓ None of the Director has been appointed as an Alternate Director for Independent Director.
- ✓ The information provided above pertains to the following committees in accordance with the provisions of Regulation 26(1) (b) of the Listing Regulations: (i) Audit Committee; (ii) Nomination and Remuneration Committee and (iii) Stakeholders Relationship Committee.
- ✓ The Committee Membership and Chairmanship above excludes Membership and Chairmanship in Private Companies, Foreign Companies and Section 8 Companies.
- ✓ None of the Independent Directors are related with each other.
- ✓ None of the Non-Executive Independent Directors has any material pecuniary relationship or transactions with the Company, other than the commission and sitting fees received by them for attending the meetings of the Board and its Committee(s) and professional fees received by the firm in which a Director is a partner.

GOVERNANCE STRUCTURE

The Corporate Governance Structure at Dhanlaxmi Fabrics Limited (DFL) is as under: -

Board of Directors: The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.

Committees of the Board: The Board has constituted the following committees viz. Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. Each of said Committee has been managed to operate within a given framework.

The Chairman and Managing Director

Mr. Vinod Sohanlal Jhavar is the Chairman and Managing Director of the Company. His primary role is to provide leadership to the Board in achieving goals of the Company. He is responsible for transforming the Company into a successful organization. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, inter alia, includes:

- Provide leadership to the Board and preside over all Board and General Meetings.
- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

Non-Executive Directors (including Independent Directors) play a critical role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board Meetings like formulation of business strategies, monitoring of performances, etc. Their role, inter- alia, includes:

- Impart balance to the Board by providing independent judgment.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

Disclosure of relationships between Directors inter-se

None of the Independent Directors are related with each other. Mr. Vinod Sohanlal Jhavar is the father of Mr. Mukul Vinod Jhavar.

Number of Shares and Convertible Instruments held by Non-Executive Directors

None of the Non-Executive Directors holds any shareholding in the Company.

BOARD MEETINGS:

The Company holds at least four Board meetings in a year, one in each quarter, inter-alia, to review the financial results of the Company. The Company also holds additional Board Meetings to address its specific requirements, as and when required. All the decisions and urgent matters approved by way of circular resolutions are placed and noted at the subsequent Board meeting.

The Company circulates the agenda along with comprehensive notes well in advance before each meeting which, inter-alia, includes the following:

- Quarterly/Half Yearly/Annual financial results of the Company.
- Minutes of various committees of the Board.
- Regulatory notices/judgment/order being material in nature.
- Approvals on the sale of investments/assets of material nature etc.

During the financial year 2025-26 total 6 (Six) Board Meetings were held. The maximum gap between two Board meetings was less than one hundred and twenty days. The Board Meetings were held on 30-05-2025, 06-08-2025, 28-08-2025, 03-09-2025, 10-11-2025 and 30-01-2026.

The details of the attendance of the Board of Directors at the Board Meetings and the last Annual General Meeting (AGM) are as detailed herein below

Name of the Directors	No. of Board Meetings held	Entitlement to attend	No. of Board Meetings attended	Whether last AGM attended
Mr. Vinod S. Jhawar	6	6	6	Yes
Mr. Mahesh S. Jhawar	6	6	6	Yes
Mr. Mukul V. Jhawar	6	6	6	Yes
Ms. Ayushi Gilra	6	6	6	Yes
Mr. Athul Rungta	6	6	6	Yes
Mr. Dharshan Tarachand Jain	6	6	6	Yes

EVALUATION OF INDEPENDENT DIRECTORS AND BOARDS PERFORMANCE

The Board evaluated each of Independent Directors based on their participation in the Board and their vast experience, expertise and contribution to the Board and Company. Each and every related party transaction is very well scrutinized and checks were made so that the Company is a beneficiary.

SEPARATE MEETING OF INDEPENDENT DIRECTOR

The meeting of Independent Directors was held on 30th January, 2026. All Independent Directors were present in the meeting. Mr. Athul Basant Rungta had chaired the meeting.

It was noted that the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARIZATION PROGRAM

The Company has taken up the initiative to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the company operates, business model of the Company, etc. The detail of such familiarization program has been disclosed on the company's website <https://www.dfl.net.in/>.

ROLES, RESPONSIBILITIES AND DUTIES OF THE BOARD

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 and Schedule IV of the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

INFORMATION PLACED BEFORE THE BOARD

The Company provides the information as set out in Regulation 17 read with Part "A" of Schedule II of Listing Regulations and such other information as required to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

DETAILS OF DIRECTOR APPOINTED AND RE-APPOINTED DURING THE YEAR:

There was no change in Director of the Company during the year under review. However, the details of Directors getting re-appointed on account of retirement by rotation at the ensuing Annual General Meeting has been given in the 'Notice' calling the 34th Annual General Meeting of the Company.

MINUTES OF THE MEETING

The draft Minutes of the proceedings of the Meetings are circulated amongst the Members of the Board / Committees generally within 15 days of respective meetings. The Comments and suggestions, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairman. The Minutes are confirmed by the Members and signed by the Chairman of such meeting at any time before the next meeting is held or by the Chairman of the next Board / Committee Meetings. All Minutes of the Committee Meetings are placed before the Board Meeting for perusal and noting.

POST MEETING MECHANISM

The important decisions taken at the Board/Committee meetings are communicated to the concerned department/s and/or division.

BOARD DIVERSITY POLICY

The Company has a Board approved policy on Board diversity. The objective of the policy is to ensure that the Board comprises of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The Board composition, as at present, broadly meets with the above objective.

CODE OF CONDUCT

The Company has framed and adopted a Code of Conduct, which is applicable to all the directors and members of the senior management in terms of Regulation 17(5)(a) of SEBI (LODR) Regulations, 2015. The said code, lays the general principles designed to guide all directors and members of the senior management in making ethical decisions. All the Directors and members of the senior management have confirmed their adherence to the provisions of the said code.

PRESENT DIRECTORSHIP IN OTHER LISTED COMPANIES AND COMMITTEE POSITION INCLUDING DHANLAXMI FABRICS LTD

Name of Directors	No. of Directorship held in Public Cos. (Incl. DFL)	Directorship held in Public Listed Companies and Committee Position(s)		
		Name of the company	Listed or Unlisted	Name of Committee(s) & Designation
Vinod S. Jhavar	1	Dhanlaxmi Fabrics Ltd - (M.D. and Chairman)	Listed	-
Mukul V. Jhavar	1	Dhanlaxmi Fabrics Ltd - (Whole Time Director and CFO)	Listed	-
Mahesh S. Jhavar	2	Dhanlaxmi Fabrics Ltd - (Executive Director) Dhanlaxmi Cotex Ltd - (Managing Director)	Listed	-
Ayushi Gilra	1	Dhanlaxmi Fabrics Ltd - (Independent Director)	Listed	AC - Member SRC - Chairman NRC - Member
Athul Rungta	1	Dhanlaxmi Fabrics Ltd - (Independent Director)	Listed	AC - Chairman SRC - Member NRC - Chairman
Darshan Tarachand Jain*	1	Dhanlaxmi Fabrics Ltd - (Independent Director)	Listed	AC - Member SRC - Member NRC - Member

It does not include Alternate Directorship, Directorship in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and private limited companies.

SKILL/ EXPERTISE/ COMPETENCE OF THE BOARD OF DIRECTORS

The Board comprises qualified members who bring in the required skill, competence and expertise that allow them to make effective contribution to the Board and its Committees.

The table below summarizes the list of core skills/expertise/competencies identified by the Board of Directors desired in the context of the business(es) and sector(s) of the Company for it to function effectively and those actually available with the Board:

Skill area	Description	No. of Directors having particular skills
Financials	Expert knowledge and understanding in Accounts, Finance, Banking, Auditing and Financial Control System	6
Leadership and Strategic Planning	Ability to understand organization, processes, strategic planning and risk management, experience in developing talent, succession planning and driving change and long term growth.	6
Legal and Governance	Ability to protect shareholders' interests and observe appropriate governance practices. Monitor risk and compliance management system including legal framework.	6
Corporate Governance	Experience in developing good governance practices, serving the best interests of all stakeholders, maintaining board and management accountability building long-term effective stakeholder engagements and driving corporate ethics and values.	6

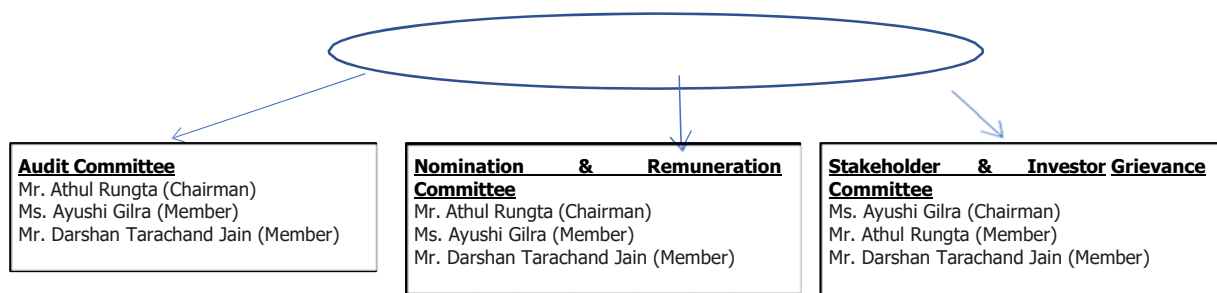
COMMITTEES OF THE BOARD:

The Board Committees focus on specific areas mentioned in their terms of reference and make informed decisions within the authority delegated to them. Each Committee of the Board is guided by its terms of reference. The Committees also make specific recommendations to the Board on various matters required. All observations, recommendations and decisions of the Committees are placed before the Board for its information or approval. All the minutes of committee meetings are placed before the Board for its noting. For better Corporate governance mechanism & robust flow of information between Executive and Independent Directors of the Company It has decided by the Board that only Independent Directors of the Board Member shall become a member of Board Committee/s and Chairman of such Committee/s.

The Company has following Committees of the Board Namely Audit committee, Nomination and Remuneration committee, Stakeholder's Relationship Committee which enables the Board to deal with specific areas / activities that need a closer review and to have an appropriate structure to assist in the discharge of their responsibilities. The Board Committees meet at regular intervals and ensure to perform the duties and functions as entrusted upon them by the Board.

The terms of reference for each committee have been clearly defined by the Board. The minutes of the meetings and the recommendation, if any, of the committees are submitted to the Board for their consideration and approval.

The Company has following Committees of Board of the Board.



AUDIT COMMITTEE AT GLANCE:

In order to align with the provisions of Section 177 of the Companies Act, 2013 and Listing Regulation with the Stock Exchanges. The terms of reference of the Audit Committee includes the following:

SCOPE AND FUNCTION:

The Broad terms of reference of the Audit Committee, inter alia, include:

The terms of reference / role of the Committee are aligned with the terms of reference provided under Section 177 of the Companies Act, 2013 and Part C of Schedule II of the Listing Regulations. Viz:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial Statements are correct, sufficient and credible;
- Recommending the appointment, reappointment and removal of the external Auditors, fixation of Audit fee and approval for payment of any other services;
- Reviewing with management the Annual Financial Statements before submission to the Board;
- Reviewing with the management and external Auditors, the adequacy of internal control systems;
- Reviewing the adequacy of Cost Audit function;
- Discussing with Cost Auditors any significant findings and follow up on such issues;
- Discussing with the external Auditors before the Audit commences on the nature and scope of Audit, as well as having post Audit discussion to ascertain the area of concern, if any;
- Reviewing the Company's financial and risk management policies; and
- Examining reasons for substantial default in the payment to Shareholders (in case of non-payment of declared dividends) and creditors, if any
- To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores 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.
- Review the internal audit reports relating to internal control weaknesses;
- Scrutinize inter-corporate loans and investments;
- Review the functioning of the Whistle blower mechanism
- Look after the risk assessment including fraud risk and risk guidelines governing the risk management process;
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with reference to events which were regarded as UPSI, whether such UPSI were shared in the manner expected, instances of leaks, if any, instance of breaches of the Code, efficiency of sensitization process, etc. at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

COMPOSITION

Name of the Directors	No. of Meetings held	Entitlement to attend	No. of Meetings attended
Ms Ayushi Gilra (Member)	4	4	4
Mr. Athul Rungta (Chairman)	4	4	4
Mr. Darshan Tarachand Jain (Member)**	4	4	4

Total (4) four audit committee meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows: 30-05-2025, 06-08-2025, 10-11-2025 and 30-01-2026. The necessary quorum was present for all the meetings.

NOMINATION AND REMUNERATION COMMITTEE AT GLANCE:

During the year under review, the terms of reference of Nomination and Remuneration Committee were expanded in order to align them with the provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations.

The composition of this Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013 Part D of Schedule II and Regulation 19 of the Listing Regulations.

- To formulate criteria for evaluation and evaluate the performance of every director, including the Independent Directors;
- To identify and recommend to the Board, in accordance with the criteria as laid down, appointment/reappointment/removal of the Executive /Non- Executive Directors and the senior management of the Company;
- Recommend to the board appointment of key managerial personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this committee).
- Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors.
- This shall include "formulation of criteria for evaluation of independent directors and the Board"
- On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel of the Company.
- To monitor and handle any other matter relating to framing/administration of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 or any amendments thereof;
- Any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, SEBI, Stock Exchanges or any other regulatory authorities from time to time.
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

COMPOSITION

Name of the Directors	No. of Meetings held	Entitlement to attend	No. of Meetings attended
Ms Ayushi Gilra (Member)	1	1	1
Mr. Athul Rungta (Chairman)	1	1	1
Mr. Darshan Tarachand Jain (Member)	1	1	1

Total 1 (One) meeting was held during the year i.e. on 30-01-2026. The necessary quorum was present for all the meetings.

REMUNERATION PAID TO DIRECTORS DURING THE PERIOD ENDED 31st MARCH, 2026:

Name of Directors	Remuneration	Commission	Sitting Fees	Contribution to Various Funds	(In Lakhs)
					Total Rs. (In Lakh)
Mr. Vinod S. Jhawar	42.00	-	-	-	42.00
Mr. Mahesh S. Jhawar	-	-	-	-	-
Mr. Mukul V. Jhawar	24.00	-	-	-	39.00
Ms. Ayushi Gilra	-	-	0.40	-	0.40
Mr. Athul Rungta	-	-	0.40	-	0.40
Mr. Darshan Tarachand Jain	-	-	0.40	-	0.40

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

PRINCIPLE AND RATIONALE

Section 178 of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require the Nomination and Remuneration Committee of the Board of Directors of every listed entity, among other classes of companies, to –

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal
- Carry out evaluation of every director's performance - formulate the criteria for evaluation of Independent Directors and the Board

Accordingly, in adherence to the above said requirements and in line with the Company philosophy towards nurturing its human resources, the Nomination and Remuneration Committee of the Board of Directors of Company herein below recommends to the Board of Directors for its adoption the Nomination and Remuneration Policy for the directors, key managerial personnel and other employees of the Company as set out below:

CRITERIA OF SELECTION OF NON-EXECUTIVE DIRECTORS

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However, Women Director is exempted from said criteria.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the Independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director –
 - a. Qualification, expertise and experience of the Directors in their respective fields;
 - b. Personal, Professional or business standing;
 - c. Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

REMUNERATION

The Non-Executive Directors shall be entitled to receive remuneration as allowed under Schedule V of the Companies Act, 2013, as amended, subject to necessary approvals, sitting fees, and reimbursement of expenses for participation in the Board/ Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended, or such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CEO & MANAGING DIRECTOR / WHOLE TIME DIRECTOR – CRITERIA FOR SELECTION / APPOINTMENT

For the purpose of selection of the CEO & MD and Whole Time Director the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

REMUNERATION FOR THE CEO & MANAGING DIRECTOR AND WHOLE TIME DIRECTOR

- At the time of appointment or re-appointment, the CEO & Managing Director and Whole Time Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director and Whole Time Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the CEO & Managing Director and Whole Time Director is paid by way of salary, allowances, perquisites, amenities and retirement benefits.

STAKEHOLDERS' RELATIONSHIP COMMITTEE AT GLANCE:

TERMS OF REFERENCE:

The Board approved 'Terms of Reference' of the Committee of Directors (Stakeholders Relationship Committee) in compliance with Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the Listing Regulations. This Committee generally meets once a month. The Committee looks into the matters of Shareholders/Investors grievances along with other matters listed below:

- To consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- To consider and approve demat/remat of shares / split / consolidation / sub-division of share / debenture certificates;
- To consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transposition of names, deletion of names transfer and transmission of securities, etc.;
- To oversee and review all matters connected with the transfer of the Company's securities;
- To review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review of the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Bigshare Services Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Committee of Directors (Stakeholders Relationship Committee) Meetings are circulated to the Board and noted by the Board of Directors.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

The Stakeholders' Relationship Committee met once during the financial year 2025-26 on 10-11-2025. The necessary quorum was present for all the meetings.

COMPOSITION

Name of the Directors	No. of Meetings held	Entitlement to attend	No. of Meetings attended
Ms Ayushi Gilra (Chairman)	1	1	1
Mr. Athul Rungta (Member)	1	1	1
Mr. Darshan Tarachand Jain (Member)	1	1	1

Details of investor complaints received and redressed during the year 2025-26 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	0	0	0

DISCLOSURES:

During the period, there were no transactions materially significant with Company's promoters, directors or management or subsidiaries or their relatives that may have potential conflict with the interests of the Company at large.

DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES AND STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGES OR SEBI, OR ANY STATUTORY AUTHORITIES, ON ANY MATTER RELATED TO THE CAPITAL MARKETS DURING LAST THREE YEARS:

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on any matter related to the capital market during the last three years.

LISTING AND CUSTODIAN FEES:

The Company's Shares are listed during the year on Bombay Stock Exchange and Calcutta Stock Exchange; the Company has paid the Listing Fees for F.Y. 2025-26 and also paid necessary custodian fees to NSDL and CDSL for F.Y. 2025-26.

DETAILS OF SUBSIDIARY AND ASSOCIATE COMPANIES:

The details of the Subsidiaries and Associates Company are given in **Annexure – II** of the Report.

PREVENTION OF INSIDER TRADING:

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prevention of Insider Trading) Regulation, 2015 and the same is available on the Company's website <http://www.dfl.net.in/company-profile.html>. This policy also includes practices and procedures for fair disclosures of unpublished price-sensitive information, initial and continual disclosures.

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

The Company is committed to provide all its employees an environment free of gender based discrimination. In furtherance of this commitment, the Company strives to provide all its employees with equal opportunity and conditions of employment, free from gender based coercion, intimidation or exploitation. The Company is dedicated to ensure enactment, observance and adherence to guidelines and best practices that prevent and prosecute commission of acts of sexual harassment.

- a. Number of complaints filed during the financial year 2025-26 - NIL
- b. Number of complaints disposed of during the financial year 2025-26 - NIL
- c. Number of complaints pending as on end of the financial year 2025-26 - NIL

RELATED PARTY TRANSACTIONS & MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature with its Promoters, Directors or the Management, their Subsidiaries or Relatives, etc. that may have potential conflict with the interests of the Company at large:

The Audit Committee and the Board considered periodically the statement of related party transactions in detail together with the basis at their meetings and grant their approval. However, these transactions are not likely to have any conflict with the interest of the Company and are not materially significant.

As required by the IND AS-24, the details of related party transactions are given in Note to the notes on financial statements for the Financial Year 2025-26, forming part of Accounts.

CFO CERTIFICATION:

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CFO certification is provided in this Annual Report.

STRICTURES AND PENALTIES:

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets activities during the last three years.

DETAILS OF UTILISATION OF FUND.

During the year, the Company has not raised any funds through preferential allotment, right issue or qualified institutions placement, the details required to be given under Regulation 32 of the Listing Regulations is not applicable to the Company.

CREDIT RATINGS

During the year under review, the Company has not borrowed any money and has not raised any funds. Hence, disclosure pertaining to utilization of funds and Credit Rating is not applicable.

OTHER DISCLOSURES:

Particulars	Legal requirement	Details	Website link for details/policy
Related Party Transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There were no material significant related party transactions during the year that have conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company. (Related Party Transaction Policy).	http://www.dfl.net.in/company-profile.html

Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company (Whistle Blower Policy).	http://www.dfl.net.in/company-profile.html
Subsidiary Companies	Regulation 24 of SEBI Listing Regulations	The Audit Committee reviews the quarterly financial statements of the Company and the investments made by its unlisted subsidiary companies. The Company does not have any material unlisted Indian subsidiary company. The Company has a policy for determining material subsidiaries which is disclosed on its website (Material Subsidiary).	http://www.dfl.net.in/company-profile.html
Policy on determination of materiality for disclosures	Regulation 23 of SEBI Listing Regulations	The Company has adopted a policy on determination of materiality of events for disclosures (Determining Materiality of Events).	http://www.dfl.net.in/company-profile.html
Policy on archival and preservation of documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a policy on archival and preservation of documents (Preservation of Documents).	http://www.dfl.net.in/company-profile.html
Code of Conduct	Regulation 17 of SEBI Listing Regulations	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2023. The Annual Report of the Company contains a certificate by the Managing Director, on the compliance declarations received from Directors and Senior Management (EIL Code of Conduct & Ethics).	http://www.dfl.net.in/company-profile.html
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment of Independent Directors are available on the Company's website. (Terms of appointment of Independent Director).	http://www.dfl.net.in/company-profile.html

INTERNAL CONTROLS AND GOVERNANCE PROCESSES

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

MANAGEMENT DISCLOSURES:

The Senior Management personnel have made disclosures to the Board relating to all material financial and commercial transactions, if any, where they may have personal interest that may have a potential conflict with the interest of the Company at large. Based on the disclosures received, none of the Senior Management personnel has entered into any such transactions during the year.

DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENT UNDER THIS CLAUSE

The Company is in Compliance with all mandatory requirements of Listing Regulations. In addition, Company has also adopted the following Non-mandatory requirements to the extent mentioned below:

Certificate as required under Part C of Schedule V of Listing Regulations, have been received from M/s. Kothari H & Associates, Practicing Company Secretaries, that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

PARTICULARS OF SATUTORY AUDITOR:

Total fees for financial Year 2025-26, for all services as mentioned below, was paid by the Company to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Payment to Auditors	Amount in Lakh
Statutory Audit Fees	1.35
Tax Audit Fees	0.40
Other Fees	-
Total	1.75

Total fees for all services paid by the Company to the Statutory Auditor are provided in the Notes to Standalone Financial Statements forming part of this Annual Report. The Statutory Auditors have not provided any services to the subsidiaries of the Company.

PARTICULARS OF INTERNAL AUDITOR:

Name of the Internal Auditor	M/s. Sunil Bangar & Associates.
Firm Registration No.	FRN – 146654W
Date of Appointment for the year 2025-26: (Board Meeting)	30.05.2025
Internal Audit Fees paid for F.Y. 2025-26	Rs. 1,75,000

COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)(B) TO (I) OF LISTING REGULATIONS.

Your Company confirms compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause (b) to (i) of sub-regulation (2) of Regulation 46 The discretionary requirements as stipulated in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been adopted to the extent and in the manner as stated under the appropriate headings in the Report on Corporate Governance.

COMPLIANCE CERTIFICATE FROM AUDITORS ON CORPORATE GOVERNANCE

Certificate from Kothari H & Associates, Company Secretaries in Practice confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT (FORMERLY KNOWN AS SECRETARIAL AUDIT REPORT) AND CERTIFICATE OF COMPLIANCE WITH REGULATION 40(9) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The SEBI vide Circular No. CIR/MRD/DP/30/2010 dated 6th September, 2010 has modified the terminology of Secretarial Audit, as Reconciliation of Share Capital Audit. A qualified Practicing Company Secretary has carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd (CDSL) and total issued and listed capital. The Reconciliation of Share Capital Audit (formerly known as Secretarial Audit Report) confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT (UNCLAIMED SHARES): NIL**MANAGING DIRECTORS DECLARATION ON CODE OF CONDUCT AND ETHICS:**

The Board of Directors of the Company has laid down Code of Conduct and Ethics (The Code) for the Company's Directors and Senior Executives. All the Directors and the Senior Executives covered by the code have affirmed compliance with the code on an annual basis.

DETAILS OF GENERAL BODY MEETINGS:

(a) Location, date and time of the Annual General Meetings held during the last three years are given below:

Financial Year	Type of Meeting	Location	Meeting Date and Time
2024-2025	33 rd AGM	Via VC/OAVM Mode) Deemed Venue - Manpada Road, Bhopar Village, Dombivli (East), Thane - 421 204, Maharashtra	30 th September 2025 At 12:30 p.m
2023-2024	32 nd AGM	(Via VC/OAVM Mode) Deemed Venue - Manpada Road, Bhopar Village, Dombivli (East), Thane - 421 204, Maharashtra	30 th September 2024 At 12:30 p.m.
2022-2023	31 st AGM	(Via VC/OAVM Mode) Deemed Venue - Manpada Road, Bhopar Village, Dombivli (East), Thane - 421 204, Maharashtra	30 th September 2023 At 1:00 p.m.

(ii) Extra Ordinary General Meeting was held on 31st March 2025 at 02:00 p.m. through Video Conferencing/Other Audio-Visual Means ("VC/OAVM").

(iii) Details of the meeting convened in pursuance of the order passed by the National Company Law Tribunal (NCLT): **Not applicable**

SPECIAL RESOLUTION PASSED IN LAST THREE ANNUAL GENERAL MEETINGS:

33 rd AGM	1.Appointment of M/s Kothari H & Associates, Company Secretaries (Certificate of Practice No. 26758, PRN-5312/2023) as the Secretarial Auditor of the company 2.To consider, discuss and approve Alteration of the Main Object Clause (III) (A) of the Memorandum of Association.
32 nd AGM	Re-appointment of Ms. Ayushi Gilra (DIN: 08511294) as a Non-Executive Independent Director of the Company for 2 nd term of 5 years.
31 st AGM	None

Apart from the above, no Special Resolution was being passed in any of last three Annual General Meetings.

MEANS OF COMMUNICATION:

Effective communication of information is an essential component of Corporate Governance. It is the process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management – shareholder relations. The Company regularly interacts with its members through multiple channels of communication such as results announcement, annual reports, media releases, and Company's website and through green initiatives.

GENERAL INFORMATION FOR MEMBERS**A. 34th Annual General Meeting**

Day & Date	Time	Venue
Monday, 29 th September 2025	12.30 PM	(Via Video- Conferencing Mode) Deemed Venue - Registered Office, Manpada Road, Bhopar Village, Dombivli (East), Thane - 421204, Maharashtra

B. Financial Calendar (2025-26)

Particulars	Period
Financial Year	April 1, 2025 to March 31, 2026
For consideration of Unaudited/Audited Financial Results	
Results for quarter ending June 30, 2025	On or before August 14, 2025
Results for quarter ending September 30, 2025	On or before November 14, 2025
Results for quarter ending December 31, 2025	On or before February 14, 2026
Results for quarter ending March 31, 2026	On or before May 30, 2026
AGM for the year ending March 31, 2026	On or before September 30, 2026

C. Book Closure Date

The Company's Share Transfer Books and Register of Members of equity shares shall remain closed from the 22.09.2026 to 28.09.2026. (Both days inclusive)

D. Share Transfer System

Share transfers in physical form are processed by the Registrar and Transfer Agents, Bigshare Services Private Limited and are approved by the Stakeholders Relationship Committee of the Company or the authorized signatories of the Company. Share transfers are registered and returned within 15 days from the date of lodgment if documents are complete in all respects. The depository system handles share transfers in dematerialized form.

E. Dividend Payment Date: No Dividend has been recommended for the year under review.

F. Dividend History: The Company has not paid any Dividend during the year.

G. Unclaimed Dividend / Share Certificates:

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125.

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years.

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPF by following the procedure prescribed under the IEPF Rules.

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2026:

Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount	Due Date for transfer to IEPF Account
None	None	None	None

Further, as required to be disclosed under Regulation 34(3) read with Schedule V of Listing Regulations, Nil Shares are lying at the beginning or at the close of financial year in the Suspense Account. Further the Company did not move in/out any Equity Share in said Suspense Account during the current financial year.

H. a. Listing of Equity Shares: Bombay Stock Exchange and Calcutta Stock Exchange
b. Listing fee is paid to the Bombay stock exchange Limited and Calcutta Stock Exchange

I. a. BSE Script Code: 521151
b. Demat ISIN Numbers in NSDL & CDSL INE953D01016 for Equity Shares.

J. Dematerialization of Shares

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz, National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). Percentages of Shares held in physical and dematerialized form as on 31st March 2026 are as follows:

Mode	No. of Shares	% Shares
Physical Form	1,60,150	1.87 %
With NSDL	2,22,420	2.59 %
With CDSL	81,98,530	95.54 %
Total	85,81,100	100%

K. Market Price Sensitive Information:

The monthly 'high' and 'low' closing prices of the shares traded during the period from **April 2025 to March 2026** on BSE are given below:

Month	High Price	Low Price	Close Price	No. of Shares	BSE Sensex High	BSE Sensex Low
Apr-25	62.75	65.9	53.77	60	3535	Apr-25
May-25	59.95	64	54.5	61.75	10276	May-25
Jun-25	60.05	64.8	56	62.25	8660	Jun-25
Jul-25	59.14	63.51	56	59.95	3934	Jul-25
Aug-25	58	61.99	55	57	5388	Aug-25
Sep-25	57.02	65	52.55	64.88	6671	Sep-25
Oct-25	61.64	64.39	56.65	57.1	4850	Oct-25
Nov-25	57.1	63.99	55	59.92	4214	Nov-25
Dec-25	59.4	59.92	50.55	55	4883	Dec-25
Jan-26	57.5	60.84	52.63	58.04	5051	Jan-26
Feb-26	60.94	64.95	52.56	60.3	7237	Feb-26
Mar-26	60.3	66	54.15	57.05	11171	Mar-26

L. Distribution of shareholding as on 31st March 2026

No. of Shares held	No. of Shareholders	% to total Shareholders	No. of Shares	% to total Shares
Up to 5000	2053	93.3606	1782480	2.0772
5001 – 10000	65	2.9559	540310	0.6297
10001-20000	36	1.6371	537570	0.6265
20001-30000	17	0.7731	445040	0.5186
30001-40000	4	0.1819	140220	0.1634
40001-50000	5	0.2274	230310	0.2684
50001-100000	4	0.1819	301370	0.3512
100001 and above	15	0.6821	81833700	95.3650
TOTAL	2199	100.00	8581100	100.00

M. Shareholding Pattern Of The Company As On 31st March 2026

Category	No. of Shares held	% of Shareholding
A. Promoter's Holding		
1. Promoters		
- Indian Promoters	64,28,506	74.91%
- Foreign Promoters	0	0.00%
2. Persons acting in concert	0	0.00%
Sub - Total	64,28,506	74.91%

B. Non-Promoter's Holding		
3. Institutional Investors	0	0.00%
a) Mutual Funds and UTI	0	0.00%
b) Banks, Financial Institutions, Insurance Cos.	0	0.00%
c) Central/State Govt. Institutions / Non-Government Institutions)	0	0.00%
C. FII's		
Sub - Total	0	0.00%
4. Other Cl. member		
a) Bodies Corporate	1486544	17.32%
b) Indian Public & Huf	661001	7.70%
c) NRI's	3049	0.03%
d) OCB's	0	0.00%
e) Clearing Members	2,000	0.02%
Sub-Total	21,52,594	25.07%
Grand Total	85,81,100	100.00%

CONSOLIDATION OF FOLIOS AND AVOIDANCE OF MULTIPLE MAILING

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names are requested to consolidate their holdings under one folio.

Members may write to the Registrars and Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

Important Points

Investors should hold securities in dematerialised form, as transfer of shares in physical form is no longer permissible. As mandated by SEBI, w.e.f. April 1, 2019, request for effecting transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository except for transmission and transposition of securities. Members are advised to dematerialise securities in the Company to facilitate transfer of securities.

Holding securities in dematerialized form is beneficial to the investors in the following manner:

- ✓ A safe and convenient way to hold securities;
- ✓ Elimination of risk(s) associated with physical certificates such as bad delivery, fake securities, delays, thefts, etc.;
- ✓ Immediate transfer of securities;
- ✓ No stamp duty on electronic transfer of securities;
- ✓ Reduction in transaction cost;
- ✓ Reduction in paperwork involved in transfer of securities;
- ✓ No odd lot problem, even one share can be traded;
- ✓ Availability of nomination facility;

- ✓ Ease in effecting change of address / bank account details as change with Depository Participants (DPs) gets registered with all companies in which investor holds securities electronically;
- ✓ Easier transmission of securities as the same is done by DPs for all securities in demat account;
- ✓ Automatic credit in to demat account of shares, arising out of bonus / split / consolidation / merger / etc.;
- ✓ Convenient method of consolidation of folios/accounts;
- ✓ Holding investments in Equity, Debt Instruments, Government securities, Mutual Fund Units etc. in a single account;
- ✓ Ease of pledging of securities; and
- ✓ Ease in monitoring of portfolio.

Members holding Shares in Physical mode are:

- a) Required to submit their Permanent Account Number (PAN) and bank account details to the Company / RTA, if not registered with the Company as mandated by SEBI.
- b) Advised to register the nomination in respect of their shareholding in the Company. Nomination Form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.
- c) Requested to register / update their e-mail address with the Company / RTA for receiving all communications from the Company electronically. Members holding Shares in Electronic mode:
- d) Requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.
- e) Advised to contact their respective DPs for registering the nomination.
- f) Requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

Register for SMS alert facility:

Investor should register with Depository Participants for the SMS alert facility. Both Depositories Viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) alert investors through SMS of the debits and credits in their demat account.

Intimate Mobile Number

Shareholders are requested to intimate their mobile number and changes therein, if any, to Company's RTA viz. Bigshare Services Private Limited to their dedicated e-mail id i.e., investor@bigshareonline.com if shares are held in physical form or to their DP if the holding is in electronic form, to receive communications on corporate actions and other information of the Company.

SHARE CAPITAL AUDIT

As required by the Securities and Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by a Practicing Company Secretary with a view to reconcile the total share capital admitted with NSDL and CDSL and held in physical form, with the total issued and listed capital of the Company. The certificate received from the Practicing Company Secretary is submitted to BSE and is also placed before the Stakeholder Relationship Committee on a quarterly basis.

SHARE TRANSFER / TRANSMISSION SYSTEM & PROCESS

Transfer of shares in physical form is processed by the Company's Registrars & Transfer Agents (RTA) generally within fifteen days from the date of receipt, provided the transfer/transmission in physical form after they are processed by the RTA are submitted to the Company for the necessary approval.

The Chairman transfer/transmission requests received in physical form from time to time. Investors may kindly take note that SEBI has mandated that in case of securities market transactions and off market/private transactions involving transfer of shares of a listed company in physical mode, it shall be compulsory for the transferee(s) to furnish a copy of the PAN card to the Company/RTA, together with the transfer documents for registering transfer of such shares.

MEANS OF COMMUNICATION

At Dhanlaxmi Fabrics Limited effective communication of information is an essential component of Corporate Governance. It is the process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management – shareholder relations. The Company regularly interacts with its members through multiple channels of communication such as results announcement, annual reports, media releases, and Company's website and through green initiatives.

Intimation to Stock Exchange - Your Company believes that all the stakeholders should have access to adequate information about the Company. All information, which could have a material bearing on the share prices, is released at the earliest to the BSE in accordance with the requirements of listing agreement.

Company's Website - The Financial Results was also displayed on the Company's website www.dfl.net.in the Company also keeps on updating its website with other relevant information, as and when required. The company did not make any official news releases nor made any presentations to the institutional investors or analysts, during the period under review.

Newspapers Publications - The Financial Results and other Communications of the Company were normally published in 2 papers i.e. English 'Business Standard' and Marathi 'Mumbai Lakshwadeep'.

Annual Report- Annual Report containing, inter alia, the Standalone Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members of the Company prior to the AGM. The Report on Management Discussion and Analysis forms part of the Annual Report. The Annual Report of the Company is also available on the website of the Company in a user friendly and downloadable format.

M/s Big Share services Pvt Ltd

CIN: U99999MH1994PTC076534

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road,

Board No. 022 40430200

Direct: 022-40430295

Mobile No. 7045454392

Email id: investor@bigshareonline.com

M/s Dhanlaxmi Fabrics Ltd

CIN: L17120MH1992PLC068861

Regd. Off: Manpada Road, Bhopar Village,

Dombivali (East), Thane- 421204, Maharashtra, India

Corp off: 401,402 Kailash Corporate Lounge, Park Site,

Vikroli (West) Mumbai- 400079, Maharashtra, India

Tel No. 95- 251- 2870589/90/91

Email Id: cscompliance@dfi.net.in

Website: www.dfi.net.in

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMIC OVERVIEW

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 stabilization. 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.

Medium-Term Outlook: Lacking structural reform momentum and facing headwinds from a range of challenges, global economic performance is expected to remain mediocre. The five-year-ahead growth forecast stands at 3.2 percent, below the historical average during 2000–19 of 3.7 percent. A key and increasingly common driver of these sluggish medium-term growth dynamics is demographics. Population aging is expected to weigh significantly on productivity, labour force participation, and ultimately, growth. Population movements across borders could help alleviate some of the demographic drag, and policies governing these movements can have complex spillovers onto growth.

Geopolitical uncertainty is significantly impacting global energy dynamics, causing disruptions in supply chains, market prices, and energy security. Ongoing conflicts, trade tensions, and shifting alliances are testing the resilience of energy systems and altering strategic priorities for nations and corporations. Simultaneously, there is a growing emphasis on ESG (Environmental, Social, and Governance) principles, influencing investment patterns, regulatory changes, and corporate strategies. While this shift is vital for long term sustainability, it also brings new challenges and opportunities that affect economic performance across various sectors.

INDIAN ECONOMIC OVERVIEW

India's economy continued to demonstrate strong resilience during FY 2025-26 despite a challenging global environment marked by geopolitical tensions, trade disruptions and uncertainty in global markets. Domestic demand remained a key driver of growth, supported by robust private consumption, capital formation, continued government spending on infrastructure and improving economic fundamentals. As per the Economic Survey 2025-26, India's real GDP growth is estimated at 7.4% in FY 2025-26, reflecting the sustained strength of the domestic economy.

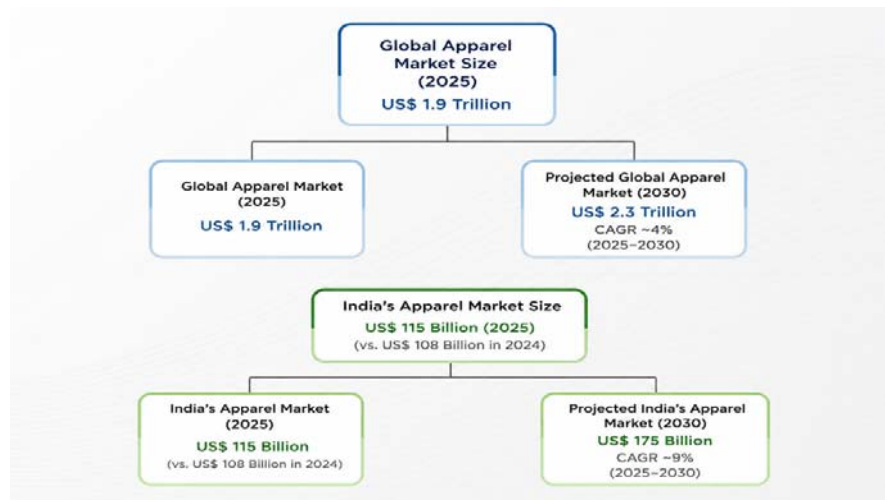
Inflationary pressures also moderated significantly during the year. Headline CPI inflation averaged 1.7% during April–December 2025, representing a substantial easing in price pressures and supporting household purchasing power and consumption. The moderation was primarily driven by lower food inflation and favorable supply-side conditions. The manufacturing sector continued to strengthen during FY 2025-26, supported by resilient domestic demand, improving capacity utilization, infrastructure development and government initiatives aimed at enhancing India's manufacturing capabilities and global competitiveness. The Economic Survey highlighted manufacturing as an important contributor to the strengthening industrial performance, with manufacturing activity recording strong growth during the first half of FY 2025-26.

The manufacturing sector continued to strengthen during FY 2025-26, supported by resilient domestic demand, improving capacity utilization, infrastructure development and government initiatives aimed at enhancing India's manufacturing capabilities and global competitiveness. The Economic Survey highlighted manufacturing as an important contributor to the strengthening industrial performance, with manufacturing activity recording strong growth during the first half of FY 2025-26. Over the past financial years, total FDI inflows amounted to USD 464.54 Billion.¹⁴ With robust physical and digital infrastructure, India is now well-positioned to expand the share of the manufacturing sector in the economy and strengthen its role in global supply chains.

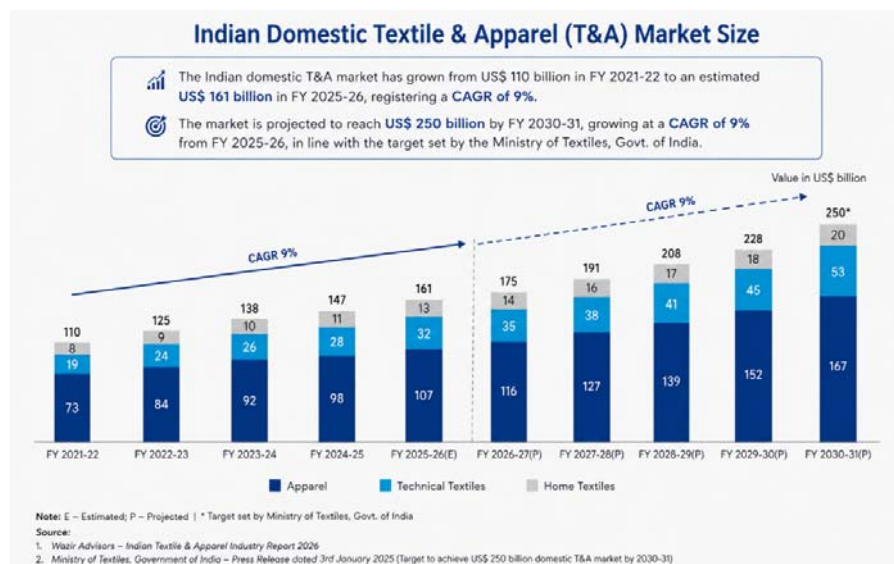
INDUSTRY STRUCTURE AND DEVELOPMENT

Textile and Apparel Market

The global apparel market is estimated to have reached US\$ 1.9 trillion in 2025 and is projected to reach approximately US\$ 2.3 trillion by 2030, registering a CAGR of around 4% during 2025–2030. The market continues to be supported by evolving consumer preferences, increasing disposable incomes, digitalization, e-commerce penetration and the gradual diversification of global sourcing destinations. India's apparel segment is also witnessing steady expansion, with the apparel market estimated at approximately US\$ 115 billion in 2025, compared with US\$ 108 billion in 2024, and projected to reach around US\$ 175 billion by 2030.



The Indian Domestic T&A market has grown from US\$ 106 billion in 2019-20 to US\$ 147 billion in 2025-26, registering a CAGR of 7%. The market needs to grow at 9% CAGR from 2025-26 to reach US\$ 250 billion by 2030-31, which is the target set by Ministry of Textiles, Govt. Of India.



Indian Apparel Market

The overall apparel segment size in FY 2025(E) was estimated to be USD 108 bn. The market is projected to grow at 9 percent and reach USD 180 bn by FY 2031. This growth is expected to be driven by factors such as increased purchasing power driving growth in primary discretionary spend, better access and availability of products, acute brand consciousness, increasing urbanization and increasing digitization.

India's Innerwear Market

The innerwear market, as a whole, is expected to grow at an encouraging CAGR of 10% between 2025-2030, driving the market from ` 667.02 billion in 2025 to ` 1,083.78 billion in 2030. The largest segment, lingerie estimated to be valued at ` 441.85 billion in 2026, is expected to show a promising CAGR of 9.70% to reach a market size of ` 701.86 billion in 2030. This segment's fast growth can be attributed to the positive wave of body positivity and self-expression that has taken over India.

Bras and brassieres emerge as the largest sub segment in the lingerie segment because of their variety and versatility. Women's lingerie makes up the majority of this segment. A whopping 55% of all lingerie comprises women's lingerie while the remaining 35% and 10% is credited to men's and kids' undergarments respectively. This split values the women's lingerie market at ` 243.02 billion, men's undergarments market at ` 154.65 billion, and kids' undergarments at ` 44.18 billion in 2025 with the women's, men's, and

kids' markets roaring up to ` 386.02 billion, ` 245.65 billion, and ` 70.19 billion respectively in 2029. A smaller but emerging segment under innerwear is shapewear and compression garments, estimates to grow from ` 100.05 billion in 2025 to ` 161.07 billion in 2030 at a CAGR of 10%. Compression wear, especially, is expected to grow rapidly within this segment because of increased health consciousness amongst customers. As customers' interest in the fitness peaks, so will the demand for compression garments as it is a popular choice of clothing for heavy workouts. Sleepwear includes pyjamas and shorts, sleep shirts, camisoles, nightgowns, etc. This category estimates to grow from ` 125.13 billion in 2029 to ` 220.85 billion in 2030.

APPAREL INDUSTRY IN INDIA

India's apparel industry is one of the largest in the world, with a market size of around \$74 billion. It plays a crucial role in the country's economy, contributing significantly to exports, employment, and GDP. Key Characteristics driving the force are as - Diverse Production: India produces a wide range of apparel, from traditional ethnic wear to modern fashion, catering to both domestic and international markets. Export-Oriented: A substantial portion of India's apparel production is export-oriented, with major markets in the United States, European Union, and the Middle East. Employment: The industry is one of the largest employers in the country, providing jobs to millions, particularly in rural areas.

The apparel industry, both in India and globally, is a vibrant and rapidly evolving sector. In India, the influx of global brands has transformed the market, influencing consumer behavior and increasing competition. As the industry continues to grow, the interplay between local and international brands will shape the future of fashion in India.

SUSTAINABILITY & TECHNOLOGICAL ADVANCEMENTS

Sustainability has become a key priority, with Gen Z consumers driving demand for ethical and eco-friendly textiles. This shift has led to innovations in traceable supply chains, circular fashion models, and sustainable fabric production.

Advances in artificial intelligence, automation, and robotics are reshaping textile manufacturing, improving efficiency, precision, and sustainability. Smart textiles featuring moisture-wicking and antimicrobial properties are gaining traction, reflecting evolving consumer preferences for performance-driven fabrics.

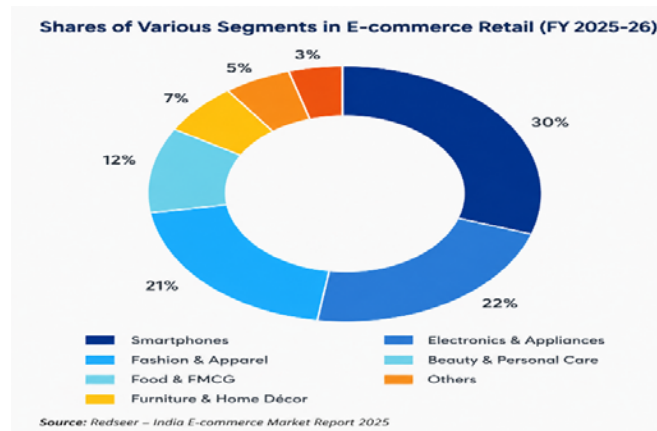
E-COMMERCE

India's e-commerce industry continued its strong growth trajectory during FY 2025-26, supported by increasing internet and smartphone penetration, expanding digital payment infrastructure, rising consumer incomes and the growing adoption of online shopping across metropolitan as well as Tier-II and Tier-III cities. The Indian e-commerce market is currently estimated at approximately US\$120–140 billion and is projected to reach US\$280–300 billion by 2030, reflecting strong growth over the period.

The growth of India's e-commerce ecosystem is increasingly being driven by the convergence of online and offline retail. Consumers are adopting connected shopping journeys involving online discovery, comparison and purchasing across physical and digital channels. Category-focused platforms, direct-to-consumer brands, social commerce and improved logistics infrastructure are further expanding the reach of digital commerce. E-commerce currently represents approximately 7–8% of total consumer spending, indicating significant headroom for further penetration.

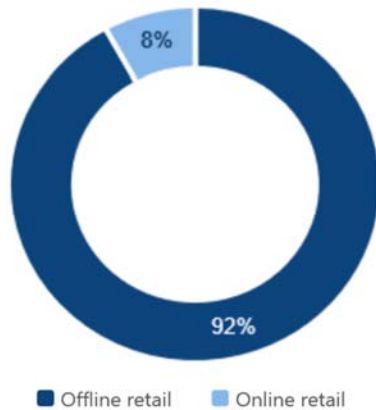
The broader digital commerce ecosystem is also benefiting from the rapid expansion of digital payments, improved connectivity, technology-enabled logistics and increasing participation of small businesses and MSMEs. The latest industry outlook indicates that e-services are expected to grow at approximately 20–22% CAGR, while e-retail is projected to grow at approximately 16–18% CAGR, further supporting the expansion of India's digital economy.

India's e-commerce growth is expected to remain broad-based, with Tier-II and Tier-III cities, rural consumers, women shoppers, D2C brands, quick commerce and social commerce emerging as important growth drivers. With increasing digital adoption, improving logistics infrastructure and continued investments in technology and digital payments, the Indian e-commerce sector is well positioned for sustained growth through F.Y 2025-26 and beyond.

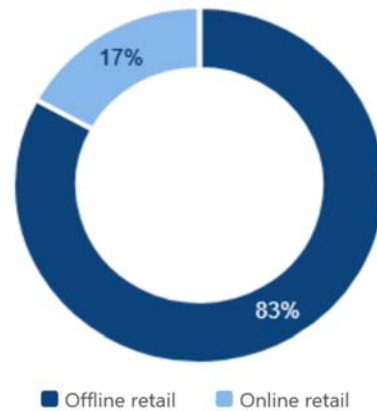


The online retail market in India is estimated to be 25% of the total organized retail market and is expected to reach 37% by FY30. India had the third-largest online shopper base of 225 million in 2023. Over the next five years, the Indian e-retail industry is projected to exceed ~300-350 million shoppers, propelling the online Gross Merchandise Value (GMV) to US\$ 100-120 billion by FY25. The growth of India's e-retail market is supported by key drivers such as improved digital access, enhanced affordability, and the rise of digital ecosystems, all of which are expected to sustain a robust annual growth rate of 23-25% in the coming years.

Online retail out of total retail in India (FY26)



Online retail out of total retail in India (FY30 projected)



Source: KPMG India, "The Indian Retail Sector," analysis of IBEF data (2026)

SWOT ANALYSIS

Strengths:

- **Diversified Business Portfolio:** Presence across textiles (bath & bed linen), paper, chemicals, and energy reduce dependence on a single sector and enhances revenue stability.
- Increase in consumption with factors like education, occupation, urbanisation, nuclear families, influence of social media, disposable incomes moving in a positive direction.
- Increase in fashion and brand consciousness making consumers more aspirational and discerning.
- Increasing urban women population and women corporate workforce

Brand:

- In-house manufacturing and a robust distribution chain allow the brand to ensure adequate supply.
- Brand footprint expanding across exclusive retail as well as multi-brand retail creating an excellent base for its growth.
- The new / first time consumers acquired by the brand during the pandemic in categories such as athleisure will aid in growth.
- The hybrid work culture provides excellent opportunities for categories like work-leisure to expand and grow.

Threat

Long Term:

- Several international apparel brands have commenced operations in India realizing that the Indian market is likely to emerge as one of the largest apparel markets in the world in the next few decades
- The emergence of D2C startups in the innerwear and athleisure space in the last few years with aggressive discounting as the key USP to acquire customers

STRATEGIC INITIATIVES

The Company's value system and success revolves around the pillars of Quality, Comfort, Integrity, Simplicity, Transparency, People and Customer delight.

Key strategic initiatives taken to maintain market position and profitability:

- Capacity ramp-up in both manufacturing and sales
- Expanding channel presence in distribution, exclusive brand stores, large format stores & e-commerce
- Expanding investments and spends in sales and marketing at point of sale along with traditional and digital advertising
- Enhance investments in R&D, product development and innovation, automation, and digital transformation

TECHNOLOGY & SUSTAINABILITY DRIVING TRANSFORMATION

To enhance efficiency and quality control, textile manufacturers are adopting computer vision technology for fabric pattern recognition and colour matching, a shift expected to reduce production costs and improve accuracy.

Sustainability remains a central focus, driving consumer interest in organic and recycled materials. Major global brands introduced textile recycling initiatives aimed at reducing carbon emissions by 85%, with a particular focus on polyester waste minimization. These efforts align with EU regulations promoting environmentally conscious production.

INDUSTRY OUTLOOK & GROWTH OPPORTUNITIES

Despite challenges such as import competition and economic uncertainties, the U.S. textile industry remains poised for expansion. Its commitment to sustainability, technological innovation, and adaptability will be critical in driving growth into FY25 and beyond.

As the market integrates advanced materials, AI-powered production, and digital supply chain solutions, continued progress in sustainability and efficiency will reinforce the industry's long-term competitiveness in the global economy.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company is engaged in the business of textiles and there is no separate reportable segment.

RISK AND CONCERN

The Company's risk management procedure helps identify and evaluate risks on an ongoing basis. Risks are inherent in business activities and to mitigate these effectively and efficiently, the Company has implemented a SCORE framework: -

- Strategic Risks,
- Compliance Risks,
- Operational Risks,
- Reporting obligations and
- Environment, Health and Safety Risks

The identified risks are integrated into the business plan and a detailed action plan to mitigate these risks and concerns is put in place.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has established a robust internal control framework designed to achieve its operational, compliance, and reporting objectives effectively. Its policies and procedures are structured to align with both its current operations and future growth strategies.

To ensure continuous improvement and mitigate risks, the Company has implemented a comprehensive system of internal controls, complemented by external audits. These controls are supported by digital systems and applications that enhance oversight and accountability. It has also taken a significant step in its digital transformation journey by migrating to SAP S4 HANA, a strategic move that will significantly enhance internal control systems.

Additionally, the adequacy of internal controls, financial policies, risk management strategies, key audit findings, and accounting compliance are regularly reviewed by the Audit Committee of the Board of Directors, ensuring transparency and accountability in operations.

HUMAN RESOURCES

The Company places a strong emphasis on the expertise and quality of its workforce, recognizing it as a key driver of success. With a commitment to equipping employees with the necessary skills to adapt to an evolving technological landscape, the Company fosters a culture of continuous learning and professional development

The HR team plays a pivotal role in nurturing and retaining talent within the dynamic textile industry. Prioritizing employee safety, the Company conducts comprehensive facility audits to ensure workplace well-being. Additionally, plant safety committees have been established to proactively monitor and address safety concerns.

A supportive and rewarding work environment remains central to the Company's values, where merit is recognized, and a positive workplace culture is actively promoted. As of 31st March 2025, the Company employed 3637 individuals,

FINANCIAL PERFORMANCE AND ANALYSIS

Particulars	F.Y. 2025-2026		F.Y. 2024-2025	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operation	1900.82	2438.97	928.39	1311.20
Revenue from other Income	140.08	142.18	162.00	182.85
Total Revenue	2040.90	2581.15	1090.39	1494.05
Profit before Dep. & Int.	(280.32)	(227.37)	(280.32)	(265.21)
Depreciation	62.61	30.53	62.61	62.98
Interest	30.90	19.69	30.90	41.69
Profit after Depreciation & Interest and before Tax	(193.48)	(277.59)	(373.83)	(369.88)
Exceptional Items	(108.46)	(108.46)	446.77	446.77
Profit after Exceptional Items	(351.64)	(386.05)	72.94	76.89
Provision for Taxation	-	-	-	0.64
Provision for Tax (deferred)	(55.72)	(55.72)	72.41	75.52
Provision for Taxation for earlier year	-	0.02	(8.22)	(8.22)
Profit/Loss after Tax	(295.92)	(330.35)	8.75	8.95

KEY FINANCIAL RATIOS:

Particulars	F.Y. 2025-2026		F.Y. 2024-2025	
	Standalone	Consolidated	Standalone	Consolidated
Current Ratio	4.83	4.73	8.42	5.88
Debt-Equity Ratio	-	0.01	-	-
Debt Service Coverage Ratio	-8.99	-4.25	-8.99	-6.30
Return on Equity Ratio	-0.07	-0.07	0.00	0.00
Inventory Turnover Ratio	8.72	7.74	3.05	3.17
Trade Receivable Turnover Ratio	6.06	6.35	3.31	3.69
Trade Payable Turnover Ratio	6.54	6.58	2.27	2.40
Net Capital Turnover Ratio	1.38	1.64	0.79	1.00
Net Profit Ratio	-0.16	-0.14	0.01	0.01
Return on Capital Employed	-0.08	-0.08	0.02	0.02
Return on Investment	-	-	-	-

CAUTIONARY STATEMENT

This Management Discussion and Analysis Report may contain forward-looking statements, such as goals, estimates, projections and expectations of the Company, as defined under applicable laws and regulations. Actual results may differ materially from those expressed or implied in such statements due to various factors, including but not limited to changes in governmental regulations, tax laws, foreign exchange fluctuations, raw-material availability and pricing, cyclical demand and pricing in key markets and broader economic conditions in India and other jurisdictions where the Company operates. These factors should be carefully considered, and readers are cautioned not to place undue reliance on forward-looking statements. The Company assumes no obligation to update any forward-looking statements, except as required by law.

FOR & ON BEHALF OF THE BOARD

Sd/-

Vinod S Jhawar
(Managing Director)
DIN: 00002903

Sd/-

Mukul V Jhawar
(Whole Time Director)
DIN: 07966851

Place: Mumbai
Date: 14.08.2026

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE
Requirements under the SEBI (LODR) Regulations, 2015

To,
The Members of
Dhanlaxmi Fabrics Limited
Mumbai

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

This certificate is issued in accordance with the terms of our engagement with Dhanlaxmi Fabrics Limited (the 'Company').

I have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2026, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations')

MANAGEMENT'S RESPONSIBILITY

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

AUDITOR'S RESPONSIBILITY

My responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

OPINION

Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2025.

I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Kothari H. & Associates,
Company Secretaries**

Sd/-
Hitesh Kothari
(Partner)
CP No. 26758

Place: Mumbai
Date: 14.08.2026

UDIN: F006038H001123264 PRN: 8012/2026

CEO/CFO CERTIFICATION

Compliance Certificate under Regulation 17(8) of SEBI (LODR) Regulation, 2015

1. I, Vinod S. Jhawar, Managing Director of the Company & Mukul Vinod Jhawar, Chief Financial Officer of Company, have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee
 - (a) Significant changes in internal control over financial reporting during the year;
 - (b) Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the financial statements; and
 - (c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For and on behalf of the Board

Sd/-	Sd/-
Vinod S. Jhawar	Mr. Mukul Vinod Jhawar
(Managing Director)	(Chief Financial Officer)
DIN: 00002903	

Place: Mumbai
Date: 14.08.2026

CERTIFICATE FOR ADHERENCE TO THE CODE OF CONDUCT **(PURSUANT TO REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015]**

Declaration by the Director

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the listing agreement with the stock exchange, I hereby confirm that, all the Directors and senior management personnel of the Company to whom the code of conduct is applicable have affirmed the compliance of the said code during the financial year ended 31st March, 2025.

For and on behalf of the Board

Sd/-
Vinod S. Jhawar
(Managing Director)
DIN: 00002903

Place: Mumbai
Date: 14.08.2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
Dhanlaxmi Fabrics Limited
Bhopar Village, Manpada Road,
Dombivli (East), Thane-42120

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s **Dhanlaxmi Fabrics Limited**, having (CIN- L17120MH1992PLC068861) and having Registered office at **Bhopar Village, Manpada Road, Dombivli (E), Thane, Maharashtra, 421204** (hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), BSE as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March 2026** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	DIN	Name of Director(s)	Date of Appointment in Company
1	00002903	Vinod Sohanlal Jhawar	01/11/2009
2	00002908	Mahesh Sohanlal Jhawar	01/10/1992
3	07966851	Mukul Vinod Jhawar	06/08/2019
4	00305731	Athul Rungta	10/02/2020
5	08511294	Ayushi Gilra	06/08/2019
6	07261947	Darshan Tarachand Jain*	08/02/2025

I further hereby inform that, ensuring the eligibility for the appointment / continuity of Director on the Board is the responsibility of the Company. Our responsibility is to issue this certificate based on verification of documents and information available in the public domain. 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 Kothari H. & Associates,
Company Secretaries

Sd/-
Hitesh Kothari
(Partner)
CP No. 26758

Place: Mumbai
Date: 14.08.2026

UDIN: F006038H001123253 PRN: 8012/2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DHANLAXMI FABRICS LIMITED Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Dhanlaxmi Fabrics Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (statement of changes in equity) and statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026 and Loss, 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 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 these matters that, in our professional judgment, were of most significance in our Audit of Standalone financial statement of the current period. These matters were addressed in the context of our Audit of Standalone financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no significant key audit matters observed by us except the matters reported in the notes to accounts.

Emphasis of Matters

We draw attention to

1. Capital Work in Progress includes investment in properties amounting to Rs. 1404.51 lacs consist of advances paid for acquisition of immovable property are paid for more than 12 months. In the absence of specific timeline, registered transfer deeds and external valuations, there carrying values has been considered

as fair values. In absence of reliable external information, no impairment provision has been made there upon.

2. Sundry Debtors include Rs. 3.40 lacs due for more than six months. No provision has been made in the books for the same as the management has considered the same as good and recoverable.
3. Refer to note 4 of the financial statements, Company has made investment of Rs. 66.08 lacs in subsidiary companies which have been considered as long term investment, out of which total net assets of two subsidiaries are below investment values, no impairment loss has been provided for on such investments.
4. Refer to Note no 5 of the financial statements, the loan & advances given are closely monitored by the Board of Directors and therefore no appraisal, renewal, policies, procedure and documents have been executed.

Information Other than the Financial Statements and Auditor's Report Thereon ('other information')

The Board of Directors of the Company is 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 & Sustainability 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 material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

Auditors Responsibility for the audit of Financial Statements

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

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

- a) 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 non-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.
- b) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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 to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the standalone financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusion are based on the audit evidence obtained upto the date of our Auditors' Report. However, future events or conditions may cause the group to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the standalone financial statement, including the disclosure and whether the standalone financial statements represent the underline transactions and events in a manner that achieves fair presentation.

- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statement of such entities include in the standalone financial statements.

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

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

We also provide those charged with governance with a statement that we have compiled 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 Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the board of directors, none of the directors 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 operating effectiveness of such controls, refer to our separate report in “**Annexure B**”.
- 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:
 - 1) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements.
 - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 3) There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the company.
 - 4)
 - a) Whether the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 company to or in any other person(s) or entities, 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 company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) Whether the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entities, including foreign entities (“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; and
 - c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
 - d) The company has neither declared nor paid dividend during the year.

e) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

- 5) Based on our examination which included test checks, the Company has used accounting software(s) for maintaining its books of account for the financial year ended March 31, 2026, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. As informed by the management, the audit trail has been preserved by the Company in accordance with the statutory requirements for record retention.

For **R H A D & Co.**
Chartered Accountants
Firm Registration No: 102588W

Ankit Bangar
(Partner)
M. No.: 172618
UDIN: 26172618YACRFG9879
Place: Mumbai
Date: 30-05-2026

**Annexure A to the Independent Auditor's Report (Referred to in paragraph (1)
of our report of even date)**

- I a) The Company has maintained the fixed assets records including quantitative details and situation of fixed assets and is in the process of updating the same.

- b) As explained to us, the fixed assets have been physically verified by the management at reasonable interval in a phased manner during the year and no material discrepancy if any has been noticed on such verification and has been properly dealt with in the Books of Accounts.
 - c) As per the information and explanations given to us, the Title Deeds of Immovable Properties are held in the name of company.
 - d) Company does not have any intangible assets.
 - e) Company has not revalued any assets during the financial year.
 - f) As per the information and explanations given to us, no proceeding has been initiated against the Company in respect of Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- II
 - a) The Stock of finished goods, stores, spare parts and raw material have been physically verified by the management at reasonable intervals during the year and as per the information and explanations given to us and according to the records produced to us, no material discrepancies noticed on such physical verification as compared to book records.
 - b) The Company has not availed working capital facility from Bank or Financial Institutions during the year.
- III

As per the information and explanation given to us, the company has made investments in subsidy Company, but not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.
- IV

As per the information and explanation given to us, Company has given loans and made investments as stated in the provisions of section 185 and 186 of the Companies Act, 2013.
- V

The Company has not accepted any deposits from public.
- VI

We have broadly reviewed the books of accounts maintained by the Company as specified by the Central Government for maintenance of Cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the records with a view to determine whether they are accurate.
- VII
 - a) As per the information and explanation given by the management, and according to the records of the company with regard to undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, G.S.T., Custom Duty and service Tax dues applicable to it, the company is generally regular in depositing with appropriate authorities. There is no undisputed amount payable in respect of such

statutory dues, which have remained outstanding as at 31st March 2026 for a period more than six months.

- b)** According to the information and explanation given to us, there is no dispute pending in respect of dues of PF, Income Tax, Custom Duty, Service Tax, Excise Duty, GST except following:

Name of the Statute	Nature of dues	Amount (in Rs.)	Assessment Year	Forum where dispute is pending
Income Tax Act, 1961	Penalty u/s 271(1)©	35,34,216	2010-11	CIT (Appeal)
Income Tax Act, 1961		6,57,281	2011-12	
Income Tax Act, 1961	Income tax assessment u/s 143(3) r.w.s 254	7,00,908	2010-11	CIT (Appeal)
Income Tax Act, 1961		5,95,772	2011-12	
Income Tax Act, 1961		5,06,406	2012-13	
Income Tax Act, 1961	Income Tax Assessment u/s 147 r.w.s. 144	1,45,58,590	2014-15	CIT (Appeal)
Income Tax Act, 1961	Income Tax Assessment u/s 147 r.w.s. 144	3,80,16,860	2013-14	CIT (Appeal)

VIII There are no transactions recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- IX**
- a)** In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
 - b)** In our opinion and according to the information and explanations given to us, the company has not been a declared wilful defaulter by any bank or financial institution or other lender.
 - (c)** In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.
 - (d)** In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.
 - (e)** In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

- (f) In our opinion and according to the information and explanations given to us, 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) and term loans during the year.
- b)** The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- XI** **a)** To the best of our knowledge and beliefs and according to the information and explanation given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year under review.
- b)** There is no whistle blower complaint received during the year.
- XII** The Company is not a Nidhi Company as per the provisions of section 406 of the Companies Act, 2013.
- XIII** As per the information and explanation given to us all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the note No. 34 on financial statements as required by the applicable accounting standards.
- XIV** The Company has an internal audit system commensurate with the size and nature of its business and we have considered the reports of Internal Auditor.
- XV** As per the information and explanation given to us the company has not entered into any non cash transactions with directors or person connected with him.
- XVI** As per the information and explanations given to us, the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.
- XVII** The Company has incurred cash losses in the financial year and also in the immediately preceding financial year.
- XVIII** There has been no resignation of the previous statutory auditors during the year.
- XIX** According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

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

- XX** The Company does not have any unspent amount under Corporate Social Reporting (CSR).
- XXI** The Company has made investments in subsidiary company. Therefore, the company need to prepare consolidated financial statement.

For **R H A D & Co.**
Chartered Accountants
Firm Registration No: 102588W

Ankit Bangar
(Partner)
M. No. : 172618
Place: Mumbai
Date: 30-05-2026

Annexure - B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Dhanlaxmi Fabrics Limited** ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement of the standalone Ind AS 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable

assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **R H A D & Co.**

Chartered Accountants

Firm Registration No: 102588W

Ankit Bangar

(Partner)

M. No.: 172618

Place: Mumbai

Date: 30-05-2026

NOTE NO. 1

1 Company Overview

The Company ("M/S. DHANLAXMI FABRICS LIMITED") is an existing public limited company incorporated on 07th March 1980 under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at Manpada Road, Bhopar Village, Dombivli(East), Thane - 421204. The Company's main activity is cornered in to dealers and manufacturing and Processing of Textile and allied products/services and Power Generation. The equity shares of the Company are listed on BSE Limited ("BSE"). The financial statements are presented in Indian Rupee (₹).

2 Significant Accounting Policies

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

(A) Basis Of Preparation Of Financial Statement

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.

The financial statements were authorized for issue by the Company's Board of Directors on 30th May 2026.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The TUF subsidy interest receivable from government will be accounted on Cash basis as and when received. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- (i) Investments are measured at fair value.

(B) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade discount taxes and amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

(i) Sales

- (i) Domestic sales are recognised when significant risks and rewards are transferred to the buyer as per the contractual terms or on dispatch where such dispatch coincides with transfer of significant risks and rewards to the buyer.
- (ii) During the year Interest on TUF Subsidy is accounted on Cash basis.

(ii) Other Income

(i) Interest Income

Interest income on financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments.

(ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

(C) Property, plant and equipment

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

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

- (i) All items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

(ii) Depreciation

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

- (b) The depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

- (c) Leasehold Land is depreciated over the period of the Lease.

(D) Inventories Valuation

- (i) Raw materials, components, stores & spares, packing material, semi-finished goods & finished goods are valued at lower of cost and net realisable value.
- (ii) Cost of Raw Materials, components, stores & spares and packing material is arrived at Weighted Average Cost and Cost of semi-finished good and finished good is arrived at estimated cost.
- (iii) Scrap is valued at net realisable value.

(E) Cash And Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(F) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(G) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(H) Borrowing Cost

- (i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.
- (ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(I) Investments

All Unquoted equity investments are measured at carrying value.

(J) Employee Benefit

- (i) Short term employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss for the year in which the related service is rendered.
- (ii) Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Statement of Profit & Loss. Gratuity which is a defined benefit is accrued based on actuarial valuation as at Balance Sheet date by an independent actuary. The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year.
- (iii) The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets excluding non-qualifying asset (reimbursement right). The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(L) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. The weighted average number equity shares outstanding during the period and 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.

(M) Taxation

(i) The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for the jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, to unused tax losses and unabsorbed depreciation.

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

(ii) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income- tax Act, 1961 and Revised Income Computation and Disclosure Standards (ICDS) of the Income-tax Act, 1961.

(iii) Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(iv) Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the no tax has been recognised in the books of Accounts.

(O) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

(P) Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(Q) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

(R) Financial Instruments**(I) Financial Assets****(i) Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(ii) Subsequent measurement

(a) Financial assets carried at amortised cost (AC): A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI): A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(c) Financial assets at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories are measured at FVTPL.

(iii) Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

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 lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

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

(II) Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

(ii) Subsequent measurement

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

3 FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III

Explanation 1 - Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

(I) Ind AS Optional exemptions

Deemed Cost - Property, Plant and Equipment and Intangible Assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values.

(II) Ind AS mandatory exemptions

(i) Estimates

An entity's estimates in accordance with Ind AS' at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with the previous GAAP (after adjustments to reflect any difference in accounting policies) unless there is an objective evidence that those estimates were in error.

(ii) Classification and measurement of financial assets (other than equity instruments)

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

(iii) De-recognition of financial assets and financial liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions for Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows first time adopter to apply the derecognition requirements provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past Ind AS 101 retrospectively from the date of entity's choosing, transactions was obtained at the time of initially accounting for the transactions.

DHANLAXMI FABRICS LIMITED

Balance Sheet as at 31st March 2026

(Amount in Lacs.)

Particulars		Note No.	As at 31st March 2026	As at 31st March 2025
B	ASSETS			
	Non-current assets			
1	a. Property, plant and equipment	2	892.99	1,128.31
	b. Capital work-in-progress	3	1,404.51	1,404.26
	c. Financial Assets			
	i) Investments	4	66.08	67.08
	ii) Loans	5	183.22	493.22
	iii) Other financial assets		-	-
	d. Non- Current tax assets (Net)	6	269.40	217.93
	e. Other non - current assets	7	250.02	301.24
	f. Deferred tax Asset		-	-
	Total Non - Current Assets		3,066.22	3,612.04
2	Current assets			
	a. Inventories	8	249.27	186.90
	b. Financial Assets			
	i) Trade receivables	9	447.00	180.62
	ii) Cash and cash equivalents	10	60.89	87.07
	c. Current Tax Assets(Net)	11	13.61	14.78
	d. Other Current Assets	12	964.22	871.75
	Total Current Assets		1,734.99	1,341.12
	TOTAL ASSETS		4,801.21	4,953.16
A	EQUITY AND LIABILITIES			
	EQUITY			
1	a. Equity Share capital	13	858.11	858.11
	b. Other Equity	14	3,488.75	3,784.67
	Total Equity		4,346.86	4,642.78
2	LIABILITIES			
	Non-current liabilities			
	a. Financial Liabilities			
	i) Long-term borrowings		-	-
	ii) Other Financial Liabilities			
	b. Deferred tax liabilities (net)	15	79.48	135.20
	c. Other long-term liabilities	16	15.90	15.90
	d. Long-term provisions		-	-
	e. Non Current tax Liabilities (net)		-	-
	Total Non Current Liabilities		95.38	151.10
	Current liabilities			
	a. Financial Liabilities			
	i) Short-term borrowings		-	-
	ii) Trade payables	17		
	(a) Total outstanding dues - MSMEs		33.49	0.71
	(b) Total outstanding dues- Other than MSMEs		289.26	129.01
	iii) Other Financial Liabilities		-	-
	b. Other current liabilities	18	14.52	12.26
	c. Short-term provisions	19	21.70	17.30
	d. Current Tax Liabilities(Net)		-	-
	Total Current Liabilities		358.98	159.28
	TOTAL EQUITY AND LIABILITIES		4,801.21	4,953.16

Summary of significant accounting policies

1

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For R H A D & Co.

Chartered Accountants

FR No- 102588W

Mukul V. Jhawar

Director & CFO

DIN:07966851

Vinod S. Jhawar

Managing Director

DIN:00002903

Ankit Bangar

(Partner)

Membership No. 172618

Place: Mumbai

Date: 30th May 2026

Swathi Kanai Samanta

Company Secretary

DHANLAXMI FABRICS LIMITED
Statement of Profit and Loss for the year ended 31st March 2026

(Amount in Lacs except EPS)

Particulars		Note No.	For the year ended 31 March, 2026	For the year ended 31 March, 2025
A	Income:			
1	Revenue from operations	20	1,900.82	928.39
2	Other income	21	140.08	162.00
	Total Income		2,040.90	1,090.39
B	Expenses:			
	(a) Cost of materials consumed	22	765.00	78.87
	(b) Cost of Store & Spares Consumed	23	36.24	55.18
	(c) Purchases of stock-in-trade	24	678.82	199.90
	(d) Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(62.38)	235.44
	(e) Employee benefits expenses	26	239.88	273.30
	(f) Finance costs	27	19.17	30.90
	(g) Depreciation	28	30.53	62.61
	(f) Other expenses	29	576.82	528.03
	Total Expenses		2,284.09	1,464.22
3	Profit/(Loss) before exceptional Items & Taxes		(243.18)	(373.83)
4	Exceptional Items	30	(108.46)	446.77
5	Profit/(Loss) Before Taxes		(351.64)	72.94
6	Tax expense:			
	(a) Current tax		-	-
	(b) Deferred Tax		(55.72)	72.41
	(c) Excess Tax Provision of Earlier Years Written off		-	(8.22)
	Net Tax Expense		(55.72)	64.19
7	Profit/(Loss) for the period		(295.92)	8.75
8	Other comprehensive income			
	- Items that will not be reclassified to profit or loss		-	-
	- Income tax relating to items that will not be reclassified to profit or loss		-	-
	- Items that will be reclassified to profit or loss		-	-
	- Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other comprehensive income		-	-
9	Total comprehensive income for the period		(295.92)	8.75
10	Earnings per Equity share (Face Value of Rs. 10/- each)			
	a) Basic	31	(3.45)	0.10
	b) Diluted	31	(3.45)	0.10

Summary of significant accounting policies

The accompanying notes are an integral part of these financial statements

As per our report of even date

For R H A D & Co.

Chartered Accountants

FR No- 102588W

Ankit Bangar

(Partner)

Membership No. 172618

Place : Mumbai

Date: 30th May 2026

1

For and on behalf of the Board of Directors

Mukul V. Jhavar

Director & CFO

DIN:07966851

Vinod S. Jhavar

Managing Director

DIN:00002903

Swathi Kanai Samanta

Company Secretary

DHANLAXMI FABRICS LIMITED

Cash Flow Statement for the year ended 31 March, 2026

(Amount in Lacs.)

Particulars	For the year ended 31st March 2026		For the year ended 31st March 2025	
A. Cash flow from operating activities				
Net Profit / (Loss) before Tax		(351.64)		72.94
<u>Adjustments for:</u>				
Depreciation and amortisation	30.53		62.61	
(Profit) (-) Loss (+) on sale / write off of assets	124.86		(397.68)	
Earlier Year Excess or Short Tax Provision written off	-		8.22	
Finance cost	19.17		30.90	
Interest income	(34.65)		(49.96)	
Dividend Received	(2.30)		(4.18)	
Capital (Gain)/Loss on Shares	(66.15)		(60.02)	
Rental Income from Investment Property	(36.88)		(34.87)	
Operating profit / (loss) before working capital changes		(317.07)		(372.05)
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories (increase / decrease)	(62.38)		235.44	
Trade and othe receivables	(266.38)		200.33	
Other current assets	(273.74)		(43.49)	
Other Current Liabilities	6.67		(14.06)	
Trade and other Payables	193.03		(34.58)	
Change in Other Non -Current Assets	(51.47)		64.89	
Change in Other Non-Current Liabilities	-		-	
Change in Capital Work in Progress	(0.25)		(1.35)	
Cash generated from operations		(454.51)		407.17
		(771.58)		35.12
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) operating activities (A)		(771.58)		35.12
B. Cash flow from investing activities				
Purchase of fixed assets	(1.86)		(16.60)	
Sale of fixed assets	81.79		566.98	
Sale/(Purchase) of Liquid Funds/Shares	182.44		(195.02)	
Rental income from investment properties	36.88		34.87	
Long Term Advances	362.22		(285.94)	
Capital Gain/(Loss) on Shares	66.15		60.02	
Dividend Received	2.30		4.18	
Net cash flow from / (used in) investing activities (B)		729.92		168.50
C. Cash flow from financing activities				
Issue of equity shares	-		-	
Net Increase / (decrease) long-term borrowings	-		-	
Net increase / (decrease) in working capital borrowings	-		(141.54)	
Interest received	34.65	-	49.96	-
Interest Paid	(19.17)		(30.90)	
Net cash flow from / (used in) financing activities (C)		15.48		(122.47)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(26.18)		81.15
Cash and cash equivalents at the beginning of the year		87.07		5.92
Cash and cash equivalents at the end of the year		60.89		87.07

Summary of significant accounting policies

1

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For R H A D & Co.

Chartered Accountants

FR No- 102588W

Mukul V. Jhawar
Director & CFO
DIN:07966851

Vinod S. Jhawar
Managing Director
DIN:00002903

Ankit Bangar

(Partner)

Membership No. 172618

Place : Mumbai

Date: 30th May 2026

Swathi Kanai Samanta
Company Secretary

Dhanlaxmi Fabrics Limited

STATEMENT OF CHANGES IN EQUITY AS AT 31 ST MARCH, 2026

(Amount in Lacs)

A. Equity Share Capital

Particulars	Numbers in Lacs	Amount in Lacs
Balance at at 1st April, 2024	85.81	858.11
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2025	85.81	858.11
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2026	85.81	858.11

B. Other Equity

Particulars	Reservers and Surplus			Other comprehensive income	Total
	Securities premium Reserve	General Reserves	Retained Earnings		
Balance as at 1st April, 2024	896.00	108.46	2,771.46	-	3,775.92
Profit for the year	-	-	8.75	-	8.75
Trf to General Reserve	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Remeasurements of Defined Benefit Plan	-	-	-	-	-
Fair Value effect of Investments of shares	-	-	-	-	-
Balance as at 31st March, 2025	896.00	108.46	2,780.21	-	3,784.67
Profit for the year	-	-	(295.92)	-	(295.92)
Final Dividend	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Trf to General Reserve	-	-	-	-	-
Fair Value effect of Investments of shares	-	-	-	-	-
Balance as at 31st March, 2026	896.00	108.46	2,484.29	-	3,488.75

NOTE NO. 2 <u>Property Plant and Equipment</u>										
(Amount in Lacs.)										
Description of Asset	Gross Block at Cost				Depreciation				Net Block	
	Total as on 1.04.2025	Addition during the year	Sold during the year	Total as on 31/03/2026	Total as on 1.04.2025	Provided during the year	Adjusted during the year	Total as on 31/03/2026	As on 31/03/2026	As on 31/03/2025
Land	470.63	-	-	470.63	-	-	-	-	470.63	470.63
Building	778.09	-	202.57	575.53	471.24	9.69	73.23	407.71	167.82	306.85
Plant & Machinery	2,936.83	-	1,348.21	1,588.62	2,773.17	5.27	1,272.63	1,505.81	82.81	163.66
Electrical Installation	56.61	-	-	56.61	50.82	0.86	-	51.68	4.94	5.79
Furniture & Fixture	3.45	-	-	3.45	3.16	0.03	-	3.19	0.27	0.29
Laboratory Equipment	27.49	-	27.49	-	25.90	0.17	26.07	-	-	1.59
Office Equipment	11.65	0.74	-	12.39	8.13	1.33	-	9.46	2.93	3.52
Air Conditioner	11.89	1.13	-	13.01	9.69	0.44	-	10.13	2.88	2.20
Computer	13.00	-	6.33	6.67	12.38	-	6.01	6.37	0.31	0.62
Motor Vehicle	90.96	-	-	90.96	24.45	10.81	-	35.26	55.71	66.51
Misc. fixed Assets	25.22	-	-	25.22	23.97	-	-	23.97	1.25	1.25
House Property	128.59	-	-	128.59	33.20	1.93	-	35.14	93.45	95.39
Sub Total	4,554.41	1.86	1,584.59	2,971.68	3,436.10	30.53	1,377.95	2,088.69	882.99	1,118.31
Wind Power Division										
Land	10.00	-	-	10.00	-	-	-	-	10.00	10.00
Sub Total	10.00	-	-	10.00	-	-	-	-	10.00	10.00
Total	4,564.41	1.86	1,584.59	2,981.68	3,436.10	30.53	1,377.95	2,088.69	892.99	1,128.31
Description of Asset	Gross Block at Cost				Depreciation				Net Block	
	Total as on 01/04/2024	Addition during the year	Sold during the year	Total as on 31/03/2025	Total as on 01/04/2024	Provided during the year	Adjusted during the year	Total as on 31/03/2025	As on 31/03/2025	As on 31/03/2024
Land	470.63	-	-	470.63	-	-	-	-	470.63	470.63
Building	778.09	-	-	778.09	451.43	19.81	-	471.24	306.85	326.66
Plant & Machinery	4,848.49	4.26	1,915.92	2,936.83	4,519.83	26.57	1,773.22	2,773.17	163.66	328.66
Electrical Installation	158.90	-	102.29	56.61	147.43	0.99	97.61	50.82	5.79	11.47
Pipe Fitting	34.62	-	34.62	-	32.89	-	32.89	-	-	1.73
Furniture & Fixture	42.24	-	38.78	3.45	39.60	0.08	36.53	3.16	0.29	2.64
Laboratory Equipment	27.49	-	-	27.49	25.73	0.17	-	25.90	1.59	1.76
Office Equipment	17.28	1.25	6.88	11.65	13.34	1.33	6.54	8.13	3.52	3.94
Air Conditioner	20.84	-	8.95	11.89	17.83	0.36	8.50	9.69	2.20	3.00
Computer	51.88	-	38.88	13.00	50.87	0.11	38.60	12.38	0.62	1.02
Motor Vehicle	79.88	11.09	-	90.96	13.79	10.66	-	24.45	66.51	66.09
Misc. fixed Assets	54.18	-	28.96	25.22	50.90	0.55	27.48	23.97	1.25	3.29
House Property	128.59	-	-	128.59	31.27	1.93	-	33.20	95.39	97.32
Sub Total	6,713.12	16.60	2,175.30	4,554.41	5,394.90	62.57	2,021.36	3,436.10	1,118.31	1,318.22
Wind Power Division										
Land	10.00	-	-	10.00	-	-	-	-	10.00	10.00
Plant and Machinery	521.00	-	521.00	-	505.60	0.04	505.64	0.03	-	15.40
Sub Total	531.00	-	521.00	10.00	505.60	0.04	505.64	0.03	10.00	25.40
Total	7,244.12	16.60	2,696.30	4,564.41	5,900.50	62.61	2,527.00	3,436.10	1,128.31	1,343.62

Note 2.1 Depreciation has been provided as per guidelines given in Schedule II of Companies Act, 2013 on straight line method on triple shift basis

Note 2.2 Depreciation on Plant & Machinery of Textile Processing Unit situated at Dombivli taken on single shift basis as Processing unit was closed during entire year.

Dhanlaxmi Fabrics Limited
Notes to the Financial Statements As At
31st March, 2026

3. CAPITAL WORK-IN PROGRESS

(Amount in Lacs.)

Particulars	As at 31/03/2026		As at 31/03/2025
Dhairyashee Mane Textile Co-op Park Kolhapur	364.75		364.75
Advance to Chanchal Das & Sons for Property	613.75		613.50
Land at Five Star MIDC Kegal Hatkangale	426.01		426.01
Total	1,404.51		1,404.26

3.1 Capital Work In Progress aging schedule

Particulars	As at 31/03/2026		As at 31/03/2025
Projects In Progress			
Less Than 1 Year	0.25		1.35
1-2 Years	1.35		6.80
2-3 Years	6.80		346.51
More Than 3 Years	1,396.11		1,049.60
Total	1,404.51		1,404.26

4. NON-CURRENT INVESTMENTS

Particulars	As at 31/03/2026		As at 31/03/2025
In equity shares of subsidiary companies			
1. Western Chlorides & Chemicals Pvt Ltd	65.08		65.08
2999 Equity Shares @ Rs.2170/- each F V Rs.100/- Per shares			
2. Dhanesh Fabrics Pvt Ltd	1.00		1.00
9999 Equity Shares @ Rs.10/- each F V Rs.10/- Per shares			
3. DFL Fabrics Pvt Ltd	-		1.00
9980 Equity Shares @ Rs.10/- each F V Rs.10/- Per shares			
Total	66.08		67.08

4.1 During the year, the Company sold its entire investment in DFL Fabrics Pvt Ltd and consequently the said company ceased to be a subsidiary of the Company with effect from the date of transfer of shares. The resultant gain / loss on disposal has been recognised in the Statement of Profit and Loss.

5. LOANS

Particulars	As at 31/03/2026		As at 31/03/2025
Unsecured loan given to Corporates	183.22		493.22
Total	183.22		493.22

5.1 The Loans and advances above are extended for the purpose of business and repayable on demand. The aforesaid loans are extended at different interest rate. These loans and advances are unsecured and closely monitored by Board of Directors and therefore no agreement, deed, appraisal etc. has been executed thereon.

6. NON-CURRENT TAX ASSET(NET)

Particulars	As at 31/03/2026		As at 31/03/2025
Unutilised Input Tax Credit (GST)	115.32		79.88
Income Tax Refund Receivable (Net of Provision for Tax)	0.65		0.65
Advance Tax Paid	318.00		318.00
TCS Receivable	1.92		1.92
TDS Receivables	289.90		273.87
Less: Provision for Income Tax	456.38		456.38
Total	269.40		217.93

7. OTHER NON CURRENT ASSETS

Particulars	As at 31/03/2026		As at 31/03/2025
Security Deposits	69.21		120.40
Fixed Deposits with Bank	0.60		0.63
Income Tax Paid Under Protest			
For A.Y. 2010-11 (Under Appeal)	117.22		117.22
For A.Y. 2011-12 (Under Appeal)	52.10		52.10
For A.Y. 2012-13 (Under Appeal)	5.32		5.32
For A.Y. 2013-14 (Under Appeal)	5.57		5.57
Total	250.02		301.24

8. INVENTORIES

Particulars	As at 31/03/2026		As at 31/03/2025
Finished Goods	-		43.22
Raw Material	105.45		69.14
Stock in Process - WIP	76.89		8.34
Stores & Spares	66.94		66.21
Total	249.27		186.90

10. CASH AND CASH EQUIVALENTS

Particulars	As at 31/03/2026		As at 31/03/2025
Cash on hand	0.80		1.35
Balance with banks	60.09		85.72
Total	60.89		87.07

11. CURRENT TAX ASSET(NET)

Particulars		As at 31/03/2026		As at 31/03/2025
Advance tax Paid	1.00		-	
TCS Receivable	-		-	
TDS Receivables	12.61		14.78	
Less: Provision for Income Tax	-	13.61	-	14.78
Total		13.61		14.78

12. OTHER CURRENT ASSETS

Particulars		As at 31/03/2026		As at 31/03/2025
BCI & CMIA Units Receivable		-		2.32
Investment in Listed Shares & Liquid Funds		335.02		517.46
Advance to Suppliers		269.31		242.62
Deferred Revenue Expenditure		357.26		105.39
Prepaid Expenses		2.22		3.97
Advance to Employees		0.40		-
Total		964.22		871.75

12.1 The aggregate market value of investments in listed equity shares and mutual funds as on 31st March, 2026, determined based on the quoted market prices/NAV prevailing on the reporting date, amounts to ₹ 278.58 Lacs.

13. EQUITY SHARE CAPITAL

Particulars	As at 31/03/2026		As at 31/03/2025
Authorised Share Capital			
1,50,00,000 Equity Shares of Rs. 10/- Each (Previous Year 1,50,00,000 Equity Shares Rs.10/-Par Value)	1,500.00		1,500.00
Issued, Subscribed and Paid up	858.11		858.11
85,81,100 Equity Shares of Rs.10/- each (Previous Year 85,81,100 Equity SharesRs.10/-Par Value)			

13.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2026

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	85.81	858.11	85.81	858.11
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
Number of shares at the end	85.81	858.11	85.81	858.11

13.2: Terms/rights attached to equity shares

(A) The company has only one class of equity shares having a par value of Re. 10 per share. Each holder of equity shares is entitled to one vote per share.

(B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.3: Aggregate number of bonus shares issued and sub-division of shares during the period of five years immediately preceding the reporting date :

No Bonus Shares Issued and Sub-Division of shares during the period of five years.

13.4 Shares held by Promoters

Name of Promotor	As at 31st March, 2026		As at 31st March, 2025	
	No of Shares	% held as at	No of Shares	% held as at
Mahesh Sohanlal Jhawar	2.62	3.05	1.92	2.23
Mukul Vinod Jhawar	0.60	0.70	0.60	0.70
Lalit Vinod Jhawar	0.01	0.01	0.01	0.01
Rahul Mahesh Jhawar	-	-	0.70	0.82
Jamnadevi Jhawar Family Trust	-	-	0.01	0.01
Promtech Impex Pvt Ltd	12.80	14.92	12.80	14.92
Varshrta Multitrade Private Limited (Formerly Known as Jhawar Commodities Pvt Ltd)	14.57	16.98	14.57	16.98
Vandana Vinod Jhawar	6.52	7.60	6.52	7.60
Vinod Sohanlal Jhawar	15.30	17.84	15.30	17.83
Dhanlaxmi Cotex Ltd	11.85	13.81	11.85	13.81

13.5: The details of Shareholders holding more than 5% Shares in the company

Name of Shareholders	As at 31st March, 2026		As at 31st March, 2025	
	No of Shares	% held as at	No of Shares	% held as at
Eskay Niryat Pvt Ltd.	12.80	14.92	12.80	14.92
Promtech Impex Pvt Ltd	12.80	14.92	12.80	14.92
Varshrta Multitrade Private Limited (Formerly Known as Jhawar Commodities Pvt Ltd)	14.57	16.98	14.57	16.98
Vandana Vinod Jhawar	6.52	7.60	6.52	7.60
Vinod Sohanlal Jhawar	15.30	17.84	15.30	17.83
Dhanlaxmi Cotex Ltd	11.85	13.81	11.85	13.81

14. OTHER EQUITY

Particulars	As at 31/03/2026	As at 31/03/2025
<u>Capital Reserve</u>		
At the beginning and at the end of the year	-	-
<u>General Reserve</u>		
Opening Balance (As per last Balance Sheet)	108.46	108.46
Add: Transferred from Surplus	-	-
	108.46	108.46
<u>Retained Earnings</u>		
Opening Balance (As per last Balance sheet)	2,780.21	2,771.46
Add: Net Profit after tax Transferred from Statement of Profit & Loss	(295.92)	8.75
	2,484.29	2,780.21
Less: Transfer to General Reserve	-	-
	2,484.29	2,780.21
<u>Security Premium</u>		
Opening Balance	896.00	896.00
Add: During the Year	-	-
Closing Balance	-	-
Surplus Closing Balance	896.00	896.00
<u>Other Comprehensive Income</u>		
Opening Balance	-	-
Add: During the year	-	-
Closing Balance	-	-
Total	3,488.75	3,784.67

15. DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31/03/2026	As at 31/03/2025
Deferred Tax Liabilities		
At Beginning of the year	135.20	62.79
Deferred Tax Liability/ (Assets) for the year	(55.72)	72.41
At Closing of the year	79.48	135.20

15.1 The Deferred Tax balances have arisen principally on account of timing difference between the depreciation admissible under the Income tax Act 1961 and depreciation as per Provisions of Companies Act, 2013 and due to Profit/Loss on sale of Fixed Assets.

16. OTHER LONG TERM LIABILITIES

Particulars	As at 31/03/2026		As at 31/03/2025
Deposits received from Licensee	15.90		15.90

16.1 Security deposits received against Leave and Licence Agreement entered with the following Licensee for office No.402 to 406 at Kailas Corporate Lounge Vikroli given on rent to them.

Particulars	As at 31/03/2026		As at 31/03/2025
1. L W Construction Pvt Ltd	15.90		15.90
Total	15.90		15.90

16.2 The carrying value of Security Deposits is deemed to be the Fair Value.

18 OTHER CURRENT LIABILITIES

Particulars	As at 31/03/2026		As at 31/03/2025
Salary payable	6.11		7.97
Advance from Customer	2.01		0.28
Statutory Liabilities	6.40		4.00
Total	14.52		12.26

19. SHORT TERM PROVISIONS

Particulars	As at 31/03/2026		As at 31/03/2025
Provision for Outstanding Expenses	21.70		17.30
Total	21.70		17.30

9. TRADE RECEIVABLES

(Amount in Lacs.)

Particulars	As at 31/03/2026					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables-considered good	443.60	0.05	2.99	0.36	-	447.00
Undisputed trade receivables-considered doubtful	-	-	-	-	-	-
Disputed trade receivables - considered good						-
Disputed trade receivables - considered doubtful						-

Particulars	As at 31/03/2025					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables-considered good	145.40	0.21	32.45	-	-	178.06
Undisputed trade receivables-considered doubtful	-	-	2.56	-	-	2.56
Disputed trade receivables - considered good						-
Disputed trade receivables - considered doubtful						-

9.1 No Provision for Doubtful Debtors is made as Management of the company is hopeful of full recoverability of the same.

17. TRADE PAYABLES

(Amount in Lacs.)

Particulars	As at 31/03/2026				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Dues- MSME	33.49	-	-	-	33.49
Undisputed Dues- Others	234.14	0.41	6.72	47.99	289.26
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-

Particulars	As at 31/03/2025				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Dues- MSME	0.71	-	-	-	0.71
Undisputed Dues- Others	73.30	54.72	-	-	128.02
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	0.98	0.98

17.1 MSME disclosure

The details of amounts outstanding to Micro and Small enterprises under the Micro and Small Enterprises Development Act, 2006 (MSED Act), based on the available information with the company are as under:		
Particulars	As at 31/03/2026	As at 31/03/2025
1 Principal amount not due and remaining unpaid	33.03	0.71
2 Principal amount due and remaining unpaid	0.46	-
3 Interest due on (2) above and the unpaid interest	-	-
4 Interest due and payable for the period of delay other than (3) above	-	-

17.2 Company has not provided for interest on principal amount which was due and remaining unpaid as on 31.03.2026 exceeding stipulated time.

Dhanlaxmi Fabrics Limited
Notes to the Financial Statements for the Year
ended 31st March, 2026

20. REVENUE FROM OPERATIONS

(Amount is Lacs.)

Particulars	For the Year Ended on 31/03/2026	For the Year Ended on 31/03/2025
Revenue from Sales and Job Work	1,900.82	928.39
Total	1,900.82	928.39

21. OTHER INCOME

Particulars	For the Year Ended on 31/03/2026	For the Year Ended on 31/03/2025
Interest Income	34.65	49.96
Dividend received	2.30	4.18
Rent Received	36.88	34.87
Misc. Income including Scrap Sales	0.10	12.98
Capital Gain on Sales of Shares	66.15	60.02
Total	140.08	162.00

22. COST OF RAW MATERIALS CONSUMED

Particulars	For the Year Ended on 31/03/2026	For the Year Ended on 31/03/2025
Yarn	723.76	66.17
Packing Material	2.52	1.94
Consumables	41.91	11.72
Less: Discount on Purchase	(3.18)	(0.95)
Less: Purchase Return	-	-
Total	765.00	78.87

23. STORES AND SPARES CONSUMPTION

Particulars	For the Year Ended on 31/03/2026	For the Year Ended on 31/03/2025
Indigenous	36.24	55.18
Total	36.24	55.18

24. PURCHASES OF STOCK IN TRADE

Particulars	For the Year Ended on 31/03/2026	For the Year Ended on 31/03/2025
Fabric Purchase	678.82	199.90
Total	678.82	199.90

25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Particulars	For the Year Ended on 31/03/2026		For the Year Ended on 31/03/2025
<u>Inventory (At close)</u>			
Fabric	-		43.22
Work in Progress	76.89		8.34
Raw Material	105.45		69.14
Stores and Spares	66.94		66.21
Total	249.27		186.90
<u>Inventory (At commencement)</u>			
Fabric	43.22		54.45
Work in Progress	8.34		6.43
Raw Material	69.14		304.03
Stores and Spares	66.21		57.42
Total	186.90		422.33
Net Change	(62.38)		235.44

26. EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year Ended on 31/03/2026		For the Year Ended on 31/03/2025
Job Work Contractor Charges	97.33		85.32
Salary, Bonus and Others	64.44		92.62
Director's Salary	66.00		81.00
Contribution to P.F & ESIC	6.51		8.34
Contribution to Gratuity Fund	0.01		0.08
Contribution to Maharashtra Labour Welfare Fund	0.02		0.02
Staff welfare Expenses	5.57		5.94
Total	239.88		273.30

27. FINANCE COST

Particulars	For the Year Ended on 31/03/2026		For the Year Ended on 31/03/2025
Interest on Working capital	-		4.51
Interest on Reversal of Excess TUF subsidy received	17.43		26.12
Interest on Others	-		0.00
Bank charges/ Processing Fees	1.74		0.26
Total	19.17		30.90

28. DEPRECIATION

Particulars	For the Year Ended on 31/03/2026		For the Year Ended on 31/03/2025
Depreciation on Fixed Assets	30.53		62.61

28.1 Depreciation has been provided as per guidelines given in Schedule II of Companies Act, 2013 on straight line method on triple shift basis

29. OTHER EXPENSES**29.1 - Manufacturing expenses**

Particulars	For the Year Ended on 31/03/2026		For the Year Ended on 31/03/2025
Electricity Charges	211.22		201.54
Water Expenses	3.08		4.99
Repairs to Building	60.45		19.60
Repairs to Machinery	0.43		15.61
Repairs and Maintenance Others	9.31		7.34
Weaving Charges	19.65		19.15
Freight & Forwarding Expenses	7.35		5.58
Insurance Expenses	4.18		4.62
Lease rent for factory land	36.00		18.00
Sizing/Warping Charges	35.81		4.69
Textile Job work Expenses	5.00		6.11
Total	392.47		307.25

29.2 Selling, Marketing & Distribution expenses

Particulars	For the Year Ended on 31/03/2026		For the Year Ended on 31/03/2025
Sales & Business promotion Expenses	7.74		17.91
Cash Discount	-		0.03
Commission & Brokerage	6.67		10.51
Total	14.41		28.45

29.3 Administrative expenses

Particulars	For the Year Ended on 31/03/2026		For the Year Ended on 31/03/2025
Property Expenses	15.65		10.98
Factory Revovation Expenses	76.41		76.41
Printing & stationery	0.39		0.54
Postege & courier charges	0.15		0.10
BCUI & CMIA Units Expenses	2.32		0.35
Legal & professional fees	32.31		39.55
Advertisement charges	0.30		0.65
Conveyance expenses	0.79		4.03
General Office Expenses	4.09		3.61
Listing fees - Stock Exchange	3.25		9.24
Motor Car Expenses	2.86		5.15
Mobile and Telephone Expenses	0.80		1.04
Director Sitting Fees	1.20		1.20
Sundry Balances W/off	2.34		22.64
Disputed Trade Payable Settlement Expenses	20.65		-
Travelling Expenses	3.78		6.87
Other expenses	2.65		9.96
Total	169.93		192.33
Grand Total	576.82		528.03

29.3.A : "During the year, the Company has settled a disputed trade payable pursuant to the order of the Hon'ble High Court and has accordingly recognized expenses amounting to ₹ 20,64,853 under Other Expenses in the Statement of Profit and Loss."

Payment to auditors		(Amount In Rs.)	
Particulars	For the Year Ended on 31/03/2026		For the Year Ended on 31/03/2025
Auditor			
Statutory audit Fees	1.00		1.00
Tax Audit Fees	0.40		0.40
Total	1.40		1.40

30. EXCEPTIONAL ITEMS

Particulars	For the Year Ended on 31/03/2026		For the Year Ended on 31/03/2025
Bad Debts (Written off)/Recovery (Net)	5.00		46.61
TUF Subsidy Received	11.40		-
Reversal of Excess TUF Subsidy Received	-		(32.85)
Reversal of Excess Property Tax (KDMC) Paid	-		35.33
Profit/(Loss) on Sale of Assets	(124.86)		397.68
Total	(108.46)		446.77

31. EARNING PER SHARE(EPS)

Particulars	For the Year Ended on 31/03/2026		For the Year Ended on 31/03/2025
(i) Net Profit after tax as per statement of Profi & Loss Attributable to equity Shareholders	(295.92)		8.75
(ii) Weighted average number of Equity shares used as denominator for calculating EPS	85.81		85.81
(iii) Basic and Diluted Earnings per share	(3.45)		0.10
(iv) Face Value per Equity share	Rs.10/-		Rs.10/-

32. CONTINGENT LIABILITIES

Particulars	For the Year Ended on 31/03/2026		For the Year Ended on 31/03/2025
Contingent Liabilities not provided for in respect of			
1. Shri Dhairyasheel Mane Textile Park, Ichalkaranji Bills for Common Infrastructure & interest raised by park are under dispute as per M.O.U signed by the park. Legal case Appeal is pending before Appealent Court	528.96		528.96

33. FOREIGN EXCHANGE EARNING AND OUTGO

Particulars	For the Year Ended on 31/03/2026		For the Year Ended on 31/03/2025
a) Earning - Export	-		-
b) Outgo - Import of Spares & Parts for Machinery	4.75		41.19

34 Related party disclosure

a) Name of the related party and description of relationship.

S.No.	Related Parties	Nature of Relationship
1	Promtech Impex Pvt Ltd	Common Directors
2	Western Chlorides & Chemicals Pvt Ltd.	Subsidiary Company
3	Dhanesh Fabrics Pvt Ltd	Subsidiary Company
4	DFL Fabrics Pvt Ltd.	Subsidiary Company (Till 22/04/2025)
5	Vinod S Jhawar	Managing Director
6	Maresh S Jhawar	Director
7	Mukul V Jhawar	Director & CFO (CFO w.e.f. 08/02/2025)
8	Ayushi Gilra	Independent Women Director
9	Durgesh Kabra	Independent Director (Resigned w.e.f. 28/01/2025)
10	Atul Rungta	Independent Director
11	Ushma Dudani	Company Secretary (Resigned w.e.f. 31/05/2024)
12	Shivanshi Mishra	Company Secretary (Resigned w.e.f. 30/05/2025)
13	SWATHI KANAI SAMANTA	Company Secretary (Appointed w.e.f. 28/08/2025)
14	Darshan Tarachand Jain	Independent Director (Appointed w.e.f. 08/02/2025)
15	Lalit V Jhawar	Chief Financial Officer (Resigned w.e.f. 16/12/2024)

b) Details of Transactions and Balances during the year with related parties at the year end.

(Amount in Lacs.)

S.No.	Related parties	Nature of Transactions during the year	FY 2025-26	FY 2024-25
			(Rs.)	(Rs.)
1	Promtech Impex Pvt Ltd	Interest Received (net)	31.04	33.56
		Loan Repayment Received (Net)	340.01	-
		Loan Given (net)	-	336.65
		Rent Received	0.62	0.62
2	Western Chlorides & Chemicals Pvt Ltd.	Rent Paid	36.00	18.00
		Interest Paid	-	1.66
		Repayment of Loan Made	-	20.46
3	Dhanesh Fabrics Pvt Ltd	Textile Job work Charges Received	-	-
		Fabric Sale	267.25	116.02
		Fabric Purchase	398.87	112.81
		Interest Received	-	10.76
		Rent Received	0.62	0.30
		Loan Given (net)	30.00	-
		Reimbursement of Expenses	0.07	0.14
4	Vinod S Jhawar	Directors Salary	42.00	42.00
5	Mukul V. Jhawar	Directors Salary	24.00	39.00
6	Durgesh Kabra	Director Sitting Fees	-	0.30
7	Ayushi Gilra	Director Sitting Fees	0.40	0.40
8	Athul Rungta	Director Sitting Fees	0.40	0.40
9	Darshan Tarachand Jain	Director Sitting Fees	0.40	0.10
10	Lalit Jhawar	Salary & Professional Fees	-	18.00
11	Ushma Dudani	Salary	-	0.27
12	Shivanshi Mishra	Salary	0.40	2.68

c) Details of Balances with related parties at the year end.

S.No.	Related parties	FY 2025-26		FY 2024-25	
		Dr. Balance	Cr. Balance	Dr. Balance	Cr. Balance
(i)	Western Chlorides & Chemicals Pvt Ltd.	-	4.98	2.47	-
(ii)	Dhanesh Fabrics Pvt Ltd	31.06	-	53.90	-
(iv)	Promtech Impex Pvt Ltd	153.22	-	493.22	-

Note: 34.1 - All related party transactions are excluding GST and other taxes as applicable.

35 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at 31st March 2026						
Particulars	Carrying amount				Fair value	
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Total
Financial assets						
Investments	-	-	-	-	-	-
Trade Receivables	-	-	447.00	447.00	447.00	447.00
Cash and cash equivalents	-	-	60.89	60.89	60.89	60.89
	-	-	507.89	507.89	507.89	507.89
Financial liabilities						
Trade Payables	-	-	322.75	322.75	322.75	322.75
Short Term Borrowings	-	-	-	-	-	-
Long Term Borrowings	-	-	-	-	-	-
	-	-	322.75	322.75	322.75	322.75
As at 31st March 2025						
Particulars	Carrying amount				Fair value	
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Total
Financial assets						
Investments	-	-	-	-	-	-
Trade Receivable	-	-	180.62	180.62	180.62	180.62
Cash and cash equivalents	-	-	87.07	87.07	87.07	87.07
	-	-	267.69	267.69	267.69	267.69
Financial liabilities						
Trade Payables	-	-	129.72	129.72	129.72	129.72
Short Term Borrowings	-	-	-	-	-	-
Long Term Borrowings	-	-	-	-	-	-
	-	-	129.72	129.72	129.72	129.72

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

C. Financial Risk Management

C.i. Risk management framework

A wide range of risks may affect the Company's business and operational or financial performance. The risks that could have significant influence on the

C.ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an on-going basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on assets as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business
- ii) Actual or expected significant changes in the operating results of the counterparty
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparties ability to meet its obligation
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

Financial assets are written off when there is a no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. When loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. When recoverable are made, these are recognised as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Ageing of Accounts receivables :

Particulars	(Amount in Rs.)	
	As at March 31, 2026	As at March 31, 2025
0 - 6 months	443.60	145.40
6 months - 1 year	0.05	0.21
1-2 year	2.99	35.01
2-3 year	0.36	-
More than 3 year	-	-
Total	447.00	180.62

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

(b) Cash and cash equivalents and Other Bank Balances

The Company held cash and cash equivalents and other bank balances as stated in Note No. 10. The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing.

C.iii. 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.

Liquidity risk is managed by Company through effective fund management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and other borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

C.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk, interest rate risk.

C.iv.a Currency risk

The Company is not exposed to any currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in INR's Only. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

C.iv.b Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

36 Disclosure of Financial Ratios

Sr. No.	Particulars	Numerator	Denominator	31st March 2026	31st March 2025	% of Variance
1	Current Ratio	1,734.99	358.98	4.83	8.42	(42.60)
2	Return on Equity Ratio	(295.92)	4,494.82	(0.07)	0.00	(3,590.77)
3	Inventory Turnover Ratio	1,900.82	218.08	8.72	3.05	185.98
4	Trade Receivable Turnover Ratio	1,900.82	313.81	6.06	3.31	83.20
5	Trade Payable Turnover Ratio	1,480.07	226.24	6.54	2.27	188.00
6	Net Capital Turnover Ratio	1,900.82	1,376.01	1.38	0.79	75.85
7	Net Profit Ratio	(295.92)	1,900.82	(0.16)	0.01	(1,752.16)
8	Return on Capital Employed	(332.47)	4,426.34	(0.08)	0.02	(445.64)
9	Return on Investment	-	-	-	-	-

Remarks:-

1. Increase in trade payables during the year resulted in reduction in the Current Ratio.
2. Loss incurred during the year resulted in negative Return on Equity Ratio.
3. Increase in revenue/turnover during the year resulted in higher Inventory Turnover Ratio.
4. Increase in revenue/turnover during the year resulted in higher Trade Receivables Turnover Ratio.
5. Increase in purchases during the year resulted in higher Trade Payables Turnover Ratio.
6. Increase in turnover during the year resulted in improvement in Net Capital Turnover Ratio.
7. Loss incurred during the year resulted in negative Net Profit Ratio.
8. Loss incurred during the year resulted in negative Return on Capital Employed Ratio.

37 Additional Regulatory Information in Schedule III

- (a) All the Title deeds of Immovable properties (other than properties where the Company is the lessee and the lease agreement are duly executed in favour of the lessee) are in the name of the Company
- (b) The Company does not have any investment property, hence the question of disclosure and valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 does not arise
- (c) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (d) The Company has not given any Loans or advances to specified persons during the year
- (e) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami
- (f) The quarterly information statement filed by the Company with banks or financial institutions are in agreement with the books of accounts
- (g) Wilful Defaulter : the Company has not been declared as wilful defaulter by any bank or Financial institution or other lender
- (h) The Company does not have any transactions or relationship with Struck off Companies
- (i) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (j) The provision related to number of layers as prescribed under section 2(87) of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to Company
- (k) Detailed Ratio analysis given in note number 38
- (l) There are no Scheme of Arrangements as on March 31 , 2026
- (m) Utilisation of borrowings availed from banks and financial institutions. The borrowings obtained by the company from banks and financial institutions have
- (n) Additional information to be disclosed by way of Notes to Statement of Profit and Loss
- (i) The Company does not have any undisclosed income as on March 31 , 2026.
- (ii) The Company does not have any Crypto Currency or Virtual Currency as on March 31 , 2026

38 Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility ("CSR") are not applicable to the Company during the year under review. Accordingly, no amount was required to be spent on CSR activities during the year.

- 39 The previous year figures have been regrouped/reclassified, wherever necessary to confirm to the current presentation as per the schedule III of Companies Act, 2013.

As per our report of even date
For R H A D & Co
Chartered Accountants
FR No - 102588W

For and on behalf of the Board of Directors

Mukul V. Jhavar
Director & CFO
DIN:07966851

Vinod S. Jhavar
Managing Director
DIN:00002903

Ankit Bangar
(Partner)
Membership No. 172618
Place- Mumbai
Date: 30th May 2026

Swathi Kanai Samanta
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DHANLAXMI FABRICS LIMITED Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of **Dhanlaxmi Fabrics Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (statement of changes in equity) and statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026 and Loss, 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 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 these matters that, in our professional judgment, were of most significance in our Audit of Consolidated financial statement of the current period. These matters were addressed in the context of our Audit of Consolidated financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no significant key audit matters observed by us except the matters reported in the notes to accounts.

Emphasis of Matters

We draw attention to

1. Capital Work in Progress includes investment in properties amounting to Rs. 1404.51 lacs consist of advances paid for acquisition of immovable property are paid for more than 12 months. In the absence of specific timeline, registered transfer deeds and external valuations, there carrying values has been considered as fair values. In absence of reliable external information, no impairment provisions have been made there upon.
2. Sundry Debtors include Rs. 20.77 lacs due for more than six months. No provision has been made in the books for the same as the management has considered the same as good and recoverable.

3. Refer to Note no 5 of the financial statements, the loan & advances given are closely monitored by the Board of Directors and therefore no appraisal, renewal, policies, procedure and documents have been executed.

Information Other than the Financial Statements and Auditor's Report Thereon ('other information')

The Board of Directors of the Company is responsible for the other information. The other information comprise the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility & Sustainability 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 material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the 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 and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless

management either intends to liquidate the Group 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 and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditors Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

- Subsidiaries, whose financial statements / financial information reflect total assets of Rs. 1.47 Crore as at 31st March, 2026, total revenues of Rs. 5.40 crore, as considered in the consolidated financial statements.

Report on Other Legal and Regulatory Requirements As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- o 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.
- o In our opinion, proper books of account as required by law 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.
- o The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- o In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- o 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 subsidiary companies, incorporated in India, none of the directors of the Group companies, 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.
- o With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure.
- o With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 1. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 2. The Consolidated Financial statements did not have any long-term contracts including derivative contracts.
 3. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.
 4. a) Whether the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 company 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 company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) Whether the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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; and
 - c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
 - d) The company has neither declared nor paid dividend during the year.

e) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

- 1) Based on our examination which included test checks, and as communicated by the respective auditor of three subsidiaries, the Holding Company and its subsidiary companies incorporated in India have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares. As informed by the management, the audit trail has been preserved by the Company in accordance with the statutory requirements for record retention.

For **R H A D & Co.**
Chartered Accountants
Firm Registration No: 102588W

Ankit Bangar
(Partner)
M. No.:172618
UDIN: 26172618BIXXWZ2870
Place: Mumbai
Date: 30-05-2026

NOTE NO. 1

1 Corporate Information

The Consolidated Financial Statements comprise financial statements of "Dhanlaxmi Fabrics Limited" ("the Holding Company") and its subsidiaries (collectively referred to as "the Group") for the year ended 31st March 2026. The Principal activities of the group is cornered in to dealers and manufacturing and Processing of Textile and allied products/services and Power Generation.

2 Significant Accounting Policies

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

(A) Basis Of Preparation Of Financial Statement

- i The Financial Statements of the Holding Company and its Subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expense and Cashflows, after dully eliminating intra-group balances and intra-group transactions
- ii The difference in accounting policies of the Holding Company and its subsidiaries/ associates are not material
- iii The Consolidated Financial Statements have been prepared using Uniform accounting policies for like transactions and other events in similar circumstances
- iv The Carrying amount of the parent's investment in each subsidiary is offset(eliminated) against the parent's portion of equity in each subsidiary
- v The Consolidated 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.
- vi These Consolidated financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.
- vii The Group follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis the TUF subsidiary interest receivable from government will be accounted on Cash basis as and when received. The Consolidated financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:
 - (i) Investments are measured at fair value.

(B) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade discount taxes and amounts collected on behalf of third parties. The Group recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

(I) Sales

- (i) Domestic sales are recognised when significant risks and rewards are transferred to the buyer as per the contractual terms or on dispatch where such dispatch coincides with transfer of significant risks and rewards to the
- (ii) The Company recognises income from power generated on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

(II) Other Income

(i) Interest Income

Interest income on financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments.

(ii) Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

(C) Property, plant and equipment

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

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

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

(ii) Depreciation

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

(b) The depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

(c) Leasehold Land is depreciated over the period of the Lease.

(D) Inventories Valuation

(i) Raw materials, components, stores & spares, packing material, semi-finished goods & finished goods are valued at lower of cost and net realisable value.

(ii) Cost of Raw Materials, components, stores & spares and packing material is arrived at Weighted Average Cost and Cost of semi-finished good and finished good is arrived at estimated cost.

(iii) Scrap is valued at net realisable value.

(iv) Power Inventory is valued at cost

(E) Cash And Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(F) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(G) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(H) Borrowing Cost

(i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

(ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(I) Investments

All Unquoted equity investments are measured at carrying value and all other equity investments are measured at Fair Value, with value changes recognised in Consolidated Statement of Profit & Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'

(J) Employee Benefit

(i) Short term employee benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit & Loss for the year in which the related service is rendered .

(ii) Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Statement of Profit & Loss. Gratuity which is a defined benefit is accrued based on actuarial valuation as at Balance Sheet date by an independent actuary. The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC), and the contribution is charged to the Statement of Profit & Loss each year.

(iii) The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets excluding non-qualifying asset (reimbursement right). The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(K) Segment Report

(i) The company submits the Financial results in two segment i.e. Process Division and Fabric Division

(L) Leases

(i) Lease rentals in respect of assets acquired under operating leases are charged off to the Statement of Profit and Loss. Lease rentals in respect of assets given under operating leases are credited to the Statement of Profit & Loss.

(ii) Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases.

(iii) Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc., are recognised immediately in the statement of profit and loss.

(M) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period. The weighted average number equity shares outstanding during the period and 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.

(N) Taxation

(i) The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for the jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, to unused tax losses and unabsorbed depreciation.

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

(ii) Provision for Income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income- tax Act, 1961 and Revised Income Computation and Disclosure Standards (ICDS) of the Income-tax Act, 1961.

(iii) Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(iv) Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the no tax has been recognised in the books of Accounts.

(O) Impairment of Assets

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

(P) Provisions and Contingent Liabilities

The Group creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(Q) Operating Cycle

Based on the nature of products/activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

(R) Financial Instruments

(I) Financial Assets

(i) Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(ii) Subsequent measurement

(a) Financial assets carried at amortised cost (AC): A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI): A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(c) Financial assets at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories are measured at FVTPL.

(iii) Impairment of financial assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

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 lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the instrument). For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

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

(II) Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

(ii) Subsequent measurement

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

3 FIRST TIME ADOPTION OF IND AS

The Group has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

Explanation 1 - Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

(I) Ind AS Optional exemptions

Deemed Cost - Property, Plant and Equipment and Intangible Assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values.

Nil

(II) Ind AS mandatory exemptions

(i) Estimates

An entity's estimates in accordance with Ind AS' at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with the previous GAAP (after adjustments to reflect any difference in

accounting policies) unless there is an objective evidence that those estimates were in error.

(ii) Classification and measurement of financial assets (other than equity instruments)

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

(iii) De-recognition of financial assets and financial liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions for Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows first time adopter to apply the derecognition requirements provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past Ind AS 101 retrospectively from the date of entity's choosing, transactions was obtained at the time of initially accounting for the transactions.

DHANLAXMI FABRICS LIMITED

Consolidated Balance Sheet as at 31st March 2026

(Amount in Lacs.)

Particulars		Note No.	As at 31st March 2026	As at 31st March 2025
B	ASSETS			
1	Non-current assets			
a.	Property, Plants & Equipment	2	895.24	1,131.13
b.	Capital work-in-progress	3	1,404.51	1,404.26
c.	<u>Financial Assets</u>			
i)	Investments		-	-
ii)	Loans & Advances	4	183.22	493.22
iii)	Other Financial Assets		-	-
d.	Non Current tax assets (Net)	5	269.40	223.31
e.	Other Non-current assets	6	262.83	330.21
f.	Deferred tax Asset (net)		-	-
	Total Non - Current Assets		3,015.21	3,582.14
2	Current assets			
a.	Inventories	7	333.22	296.63
b.	<u>Financial Assets</u>			
i)	Trade receivables	8	503.96	264.81
ii)	Cash and cash equivalents	9	63.08	90.71
c.	Current Tax Assets(Net)	10	17.61	16.13
d.	Other Current Assets	11	964.59	903.78
	Total Current Assets		1,882.46	1,572.07
	TOTAL ASSETS		4,897.67	5,154.21
A	EQUITY AND LIABILITIES			
1	EQUITY			
a.	Equity Share capital	12	858.11	858.11
b.	Other Equity	13	3,546.42	3,876.76
	Total Equity		4,404.53	4,734.87
2	LIABILITIES			
	Non-current liabilities			
a.	<u>Financial Liabilities</u>			
i)	Long-term borrowings		-	-
ii)	Other Financial Liabilities		-	-
b.	Deferred tax liabilities (net)	14	79.48	136.08
c.	Other long-term liabilities	15	15.90	15.90
d.	Long-term provisions		-	-
e.	Non Current tax Liabilities (net)		-	-
	Total Non Current Liabilities		95.38	151.98
	Current liabilities			
a.	<u>Financial Liabilities</u>			
i)	Short-term borrowings	16	30.00	0.70
ii)	Trade payables	17		
	(a) Total outstanding dues - MSMEs		34.97	98.10
	(b) Total outstanding dues- Other than MSMEs		290.45	133.69
iii)	Other Financial Liabilities		-	-
b.	Other current liabilities	18	20.09	16.77
c.	Short-term provisions	19	22.25	18.10
d.	Current Tax Liabilities(Net)		-	-
	Total Current Liabilities		397.76	267.36
	TOTAL EQUITY AND LIABILITIES		4,897.67	5,154.21

Summary of significant accounting policies

1

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For and on behalf of the Board of Directors

For R H A D & Co.

Chartered Accountants

FR No- 102588W

Ankit Bangar

Partner

Membership No.172618

Place: Mumbai

Date: 30th May 2026

Mukul V. Jhavar

Director & CFO

DIN:07966851

Vinod S. Jhavar

Managing Director

DIN: 00002903

Swathi Kanai Samanta

Company Secretary

DHANLAXMI FABRICS LIMITED

Consolidated Statement of Profit and Loss for the year ended 31st March 2026

(Amount in Lacs Except EPS)

Particulars		Note No.	For the year ended 31 March, 2026	For the year ended 31 March, 2025
A	Income:			
1	Revenue from operations	20	2,438.97	1,311.20
2	Other income	21	142.18	182.85
	Total Income		2,581.15	1,494.05
B	Expenses:			
	(a) Cost of materials consumed	22	765.00	78.87
	(b) Cost of Store & Spares Consumed	23	36.24	55.18
	(c) Purchases of stock-in-trade	24	1,033.19	462.89
	(d) Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(36.60)	233.98
	(e) Employee benefits expenses	26	297.49	310.02
	(f) Finance costs	27	19.69	41.69
	(g) Depreciation	28	30.53	62.98
	(f) Other expenses	29	713.19	618.32
	Total Expenses		2,858.74	1,863.92
3	Profit before exceptional Items & Taxes		(277.59)	(369.88)
4	Exceptional Items	30	(108.46)	446.77
5	Profit/(Loss) Before Taxes		(386.05)	76.90
6	Tax expense:			
	(a) Current tax		-	0.64
	(b) Deferred Tax		(55.72)	75.52
	(c) Excess/Short Tax Provision of Earlier Years		0.02	(8.22)
	Net Tax Expense		(55.70)	67.95
7	Profit/(Loss) for the period		(330.35)	8.95
8	Other comprehensive income			
	- Items that will not be reclassified to profit or loss		-	-
	- Income tax relating to items that will not be reclassified to profit or loss		-	-
	- Items that will be reclassified to profit or loss		-	-
	- Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other comprehensive income		-	-
9	Total comprehensive income for the period		(330.35)	8.95
10	Earnings per Equity share (Face Value of Rs. 10/- each)			
	a) Basic	31	(3.85)	0.10
	b) Diluted	31	(3.85)	0.10

Summary of significant accounting policies

1

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date

For and on behalf of the Board of Directors

For R H A D & Co.

Chartered Accountants

FR No- 102588W

Mukul V. Jhavar
Director & CFO

Vinod S. Jhavar
Managing Director

Ankit Bangar

DIN:07966851

DIN: 00002903

Partner

Membership No.172618

Place : Mumbai

Swathi Kanai Samanta

Date: 30th May 2026

Company Secretary

<u>Dhanlaxmi Fabrics Limited</u> <u>Consolidated Cash Flow Statement for the year ended 31 March, 2026</u> (Amount in lacs.)				
Particulars	For the year ended		For the year ended	
	31 st March 2026		31 st March 2025	
A. Cash flow from operating activities				
Net Profit / (Loss) before tax		(386.05)		76.90
<i>Adjustments for:</i>				
Depreciation and amortisation	30.53		62.98	
(Profit) (-) Loss (+) on sale/write off of assets	124.86		(397.68)	
(Profit) (-) Loss (+) on Disposal of Subsidiary	(11.98)		-	
Adjustment of net Assets of Subsidiary Disposed	(47.35)		-	
Earlier Year Excess or Short Tax Provision written off	(0.02)		8.22	
Finance costs	19.69		41.69	
Interest income	(35.09)		(51.63)	
Dividend Received	(2.30)		(4.18)	
Capital (Gain)/Loss on Shares	(19.75)		(60.09)	
Rental Income from Investment Property	(72.88)		(52.87)	
Operating profit / (loss) before working capital changes		(400.34)		(376.67)
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories (increase / decrease)	(36.60)		233.98	
Trade and other receivables	(239.14)		180.20	
Other current assets	(275.66)		(35.30)	
Other Current Liabilities	7.47		(11.80)	
Trade and other Payables	93.63		(33.52)	
Change in Other Non -Current Assets	(46.09)		64.43	
Change in Other Non-Current Liabilities	-		-	
Change in Capital Work in Progress	(0.25)		(1.35)	
Cash generated from operations		(496.64)		396.64
		(896.98)		19.97
Net income tax (paid) / refunds		-		0.64
Net cash flow from / (used in) operating activities (A)		(896.98)		19.33
B. Cash flow from investing activities				
Purchase of fixed assets	(1.86)		(16.60)	
Sale of fixed assets	81.79		566.98	
Net Sale Proceeds from Subsidiary	46.40		-	
Capital Gain/(Loss) on Shares	19.75		60.09	
Rental income from investment properties	72.88		52.87	
Long Term Advances	377.38		(291.42)	
Sale/(Purchase) of Liquid Funds/Shares (Net)	226.01		(193.18)	
Dividend Received	2.30		4.18	
Net cash flow from / (used in) investing activities (B)		824.64		182.92
C. Cash flow from financing activities				
Issue of equity shares	-		-	
Net increase / (decrease) in long-term borrowings	-		-	
Net increase / (decrease) in working capital borrowings	29.30		(140.84)	
Interest received	35.09		51.63	
Finance cost	(19.69)		(41.69)	
Net cash flow from / (used in) financing activities (C)		44.70		(130.90)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(27.63)		71.35
Cash and cash equivalents at the beginning of the year		90.71		19.36
Cash and cash equivalents at the end of the year		63.08		90.71
Summary of significant accounting policies 1 The accompanying notes are an integral part of these consolidated financial statements As per our report of even date For and on behalf of the Board of Directors For R H A D & Co. Chartered Accountants FR No- 102588W Ankit Bangar Partner Membership No.172618 Place : Mumbai Date: 30th May 2026 Mukul V. Jhavar Director & CFO DIN:07966851 Vinod S. Jhavar Managing Director DIN: 00002903 Swathi Kanai Samanta Company Secretary				

Dhanlaxmi Fabrics Limited

STATEMENT OF CHANGES IN EQUITY AS AT 31 ST MARCH, 2026

(Amount in Lacs.)

A. Equity Share Capital

Particulars	Numbers	Amount
Balance at at 1st April, 2024	85.81	858.11
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2025	85.81	858.11
Changes in equity share capital during the year	-	-
Balance at at 31st March, 2026	85.81	858.11

B. Other Equity

Particulars	Reservers and Surplus			Other comprehensive income	Total
	Securities premium Reserve	General Reserves	Retained Earnings		
Balance as at 1st April, 2024	896.00	119.08	2,865.36	4.83	3,885.27
Profit for the year	-	-	8.95	-	8.95
Trf to General Reserve	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Remeasurements of Defined Benefit Plan	-	-	-	-	-
Fair Value effect of Investments of shares	-	-	-	(17.46)	(17.46)
Balance as at 31st March, 2025	896.00	119.08	2,874.31	(12.63)	3,876.76
Profit for the year	-	-	(330.35)	-	(330.35)
Final Dividend	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Trf to General Reserve	-	-	-	-	-
Fair Value effect of Investments of shares	-	-	-	12.63	-
Balance as at 31st March, 2026	896.00	119.08	2,543.97	-	3,546.42

NOTE NO. 2 Property Plant and Equipment

(Amount in Lacs.)

Description of Asset	Gross carrying Amount				Accumulated Depreciation/Impairment				Net carrying Amount	
	Total as on 1/04/2025	Addition during the year	Sold during the year	Total as on 31/03/2026	Total as on 1/04/2025	Provided during the year	Adjusted during the year	Total as on 31/03/2026	As on 31/03/2026	As on 31/03/2025
Land	472.88	-	-	472.88	-	-	-	-	473	472.88
Building	778.09	-	202.57	575.53	471.24	9.69	73.23	407.71	167.82	306.85
Plant & Machinery	2,936.83	-	1,348.21	1,588.62	2,773.17	5.27	1,272.63	1,505.81	82.81	163.66
Electrical Installation	56.61	-	-	56.61	50.82	0.86	-	51.68	4.94	5.79
Furniture & Fixture	3.76	-	0.30	3.45	3.25	0.03	0.09	3.19	0.27	0.29
Laboratory Equipment	27.49	-	27.49	-	25.90	0.17	26.07	-	-	1.59
Office Equipment	12.97	0.74	1.31	12.39	9.12	1.33	0.99	9.46	2.93	3.52
Air Conditioner	11.89	1.13	-	13.01	9.69	0.44	-	10.13	2.88	2.20
Computer	13.38	-	6.71	6.67	12.72	-	6.36	6.37	0.31	0.62
Motor Vehicle	130.90	-	39.93	90.96	64.38	10.81	39.93	35.26	55.71	66.51
Misc. fixed Assets	25.22	-	-	25.22	23.97	-	-	23.97	1.25	1.25
House Property	128.59	-	-	128.59	33.20	1.93	-	35.14	93.45	95.39
Sub Total	4,598.60	1.86	1,626.53	2,973.93	3,477.46	30.53	1,419.31	2,088.69	885.24	1,120.56
Windmill Assets										
Land	10.00	-	-	10.00	-	-	-	-	10.00	10.00
Sub Total	10.00	-	-	10.00	-	-	-	-	10.00	10.00
Total	4,608.60	1.86	1,626.53	2,983.93	3,477.46	30.53	1,419.31	2,088.69	895.24	1,130.56

(Amount in Lacs.)

Description of Asset	Gross carrying Amount				Accumulated Depreciation/Impairment				Net carrying Amount	
	As at 01/04/2024	Addition during the year	Sold during the year	As at 31/03/2025	As at 31/03/2024	Provided during the year	Adjusted during the year	As at 31/03/2025	As at 31/03/2025	As at 31/03/2024
Land	472.88	-	-	472.88	-	-	-	-	472.88	472.88
Building	778.09	-	-	778.09	451.43	19.81	-	471.24	306.85	326.66
Plant & Machinery	4,848.49	4.26	1,915.92	2,936.83	4,519.83	26.57	1,773.22	2,773.17	163.66	328.66
Electrical Installation	158.90	-	102.29	56.61	147.43	0.99	97.61	50.82	5.79	11.47
Pipe Fitting	34.62	-	34.62	-	32.89	-	32.89	-	-	1.73
Furniture & Fixture	42.54	-	38.78	3.76	39.66	0.11	36.53	3.25	0.51	2.88
Laboratory Equipment	27.49	-	-	27.49	25.73	0.17	-	25.90	1.59	1.76
Office Equipment	18.60	1.25	6.88	12.97	14.10	1.55	6.54	9.12	3.85	4.49
Air Conditioner	20.84	-	8.95	11.89	17.83	0.36	8.50	9.69	2.20	3.00
Computer	52.26	-	38.88	13.38	51.09	0.23	38.60	12.72	0.66	1.17
Motor Vehicle	119.81	11.09	-	130.90	53.73	10.66	-	64.38	66.51	66.09
Misc. fixed Assets	54.18	-	28.96	25.22	50.90	0.55	27.48	23.97	1.25	3.29
House Property	128.59	-	-	128.59	31.27	1.93	-	33.20	95.39	97.32
Sub Total	6,757.30	16.60	2,175.30	4,598.60	5,435.89	62.94	2,021.36	3,477.46	1,121.13	1,321.41
Windmill Assets										
Land	10.00	-	-	10.00	-	-	-	-	10.00	10.00
Plant and Machinery	521.00	-	521.00	-	505.60	0.04	505.64	-	-	15.40
Sub Total	531.00	-	521.00	10.00	505.60	0.04	505.64	-	10.00	25.40
Total	7,288.30	16.60	2,696.30	4,608.60	5,941.48	62.98	2,527.00	3,477.46	1,131.13	1,346.82

Note 2.1 Depreciation has been provided as per guidelines given in Schedule II of Companies Act, 2013 on straight line method on triple shift basis.

Note 2.2 Depreciation on Plant & Machinery of Textile Processing Unit situated at Dombivali taken on single shift basis as Processing unit was closed during entire year.

Dhanlaxmi Fabrics Limited
Notes to the Consolidated Financial Statements Aa At
31st March, 2026

3 CAPITAL WORK-IN PROGRESS

(Amount in Lacs.)

Particulars	As at 31/03/2026		As at 31 /03/2025
Dhairyashee Mane Textile Co-op Park Kolhapur	364.75		364.75
Advance to Chanchal Das & Sons for Property	613.75		613.50
Land at Five Star MIDC Kegal Hatkangale	426.01		426.01
Total	1,404.51		1,404.26

3.1 Capital Work In Progress aging schedule

Particulars	As at 31/03/2026		As at 31 /03/2025
Projects In Progress			
Less Than 1 Year	0.25		1.35
1-2 Years	1.35		6.80
2-3 Years	6.80		346.51
More Than 3 Years	1,396.11		1,049.60
Total	1,404.51		1,404.26

4 LOANS GIVEN

Particulars	As at 31/03/2026		As at 31 /03/2025
Unsecured Loans Given to Corporate	183.22		493.22
Total	183.22		493.22

4.1 The Loans and advances above are extended for the purpose of business and repayable on demand. The aforesaid loans are extended at different interest rate. These loans and advances are unsecured and closely monitored by Board of Directors and therefore no agreement, deed, appraisal etc. has been executed thereon.

5 NON CURRENT TAX ASSET(NET)

Particulars	As at 31/03/2026		As at 31 /03/2025
Unutilised Input Tax Credit (GST)	115.32		85.26
Income Tax Refund Receivable (Net of Provision for Tax)	0.65		0.65
Advance Tax paid	318.00		318.00
TCS Receivables	1.92		1.92
TDS Receivables	289.90		273.87
Less: Provision for Income Tax	(456.38)		(456.38)
Total	269.40		223.31

6 OTHER NON CURRENT ASSETS

Particulars	As at 31/03/2026		As at 31 /03/2025
Security Deposits	69.21		123.40
Fixed Deposits with Bank	0.63		0.66
Property Tax Recoverable	12.78		25.94
Income Tax Paid Under Protest			
For A.Y. 2010-11 (Under Appeal)	117.22		117.22
For A.Y. 2011-12 (Under Appeal)	52.10		52.10
For A.Y. 2012-13 (Under Appeal)	5.32		5.32
For A.Y. 2013-14 (Under Appeal)	5.57		5.57
Total	262.83		330.21

7 INVENTORIES

Particulars	As at 31/03/2026		As at 31 /03/2025
Finished Goods	83.95		152.95
Raw Material	105.45		69.14
Stock in Process - WIP	76.89		8.34
Stores & Spares	66.94		66.21
Total	333.22		296.63

9 CASH AND CASH EQUIVALENTS

Particulars	As at 31/03/2026		As at 31 /03/2025
Cash on hand	2.37	-	2.88
Balance with banks	60.71		87.82
Total	63.08		90.71

10 CURRENT TAX ASSET(NET)

Particulars	As at 31/03/2026		As at 31 /03/2025
Advance Tax Paid	1.00		-
TCS Receivable	-		-
TDS Receivables	16.61		16.78
Less: Provision for Income Tax	-		(0.64)
Total	17.61		16.13

11 OTHER CURRENT ASSETS

Particulars	As at 31/03/2026		As at 31 /03/2025
BCI & CMIA Units Receivable	-		2.32
Investment in Liquid Funds & Shares	335.02		548.40
Advance to Suppliers	269.31		243.71
Deferred Revenue Expenditure	357.26		105.39
Prepaid Expenses	2.22		3.97
Advance to Employees	0.77		-
Total	964.59		903.78

11.1 The aggregate market value of investments in listed equity shares and mutual funds as on 31st March, 2026, determined based on the quoted market prices/NAV prevailing on the reporting date, amounts to ₹ 27858217/-

12 EQUITY SHARE CAPITAL

Particulars	As at 31/03/2026		As at 31 /03/2025
Authorised Share Capital			
1,50,00,000 Equity Shares of Rs. 10/- Each (Previous Year 1,50,00,000 Equity Shares Rs.10/-Par Value)	1,500.00		1,500.00
Issued, Subscribed and Paid up	858.11		858.11
85,81,100 Equity Shares of Rs.10/- each (Previous Year 85,81,100 Equity SharesRs.10/-Par Value)			

12.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2026:

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	85.81	858.11	85.81	858.11
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
Number of shares at the end	85.81	858.11	85.81	858.11

12.2: Terms/rights attached to equity shares

(A) The company has only one class of equity shares having a par value of Re. 10 per share. Each holder of equity shares is entitled to one vote per share.

(B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

12.3: Aggregate number of bonus shares issued and sub-division of shares during the period of five years immediately preceding the reporting date :

No Bonus Shares Issued and Sub-Division of shares during the period of five years.

12.4 Shares held by Promoters

Name of Promotor	As at 31st March, 2026		As at 31st March, 2025	
	No of Shares	% held as at	No of Shares	% held as at
Mahesh Sohanlal Jhawar	2.62	3.05	1.92	2.23
Mukul Vinod Jhawar	0.60	0.70	0.60	0.70
Lalit Vinod Jhawar	0.01	0.01	0.01	0.01
Rahul Mahesh Jhawar	-	-	0.70	0.82
Ramautar S. Jhawar(Jamnadevi Jhawar Family Trust)	-	-	0.01	0.01
Promtech Impex Pvt Ltd	12.80	14.92	12.80	14.92
Varshrita Multitrade Private Limited (Formerly Known as Jhawar Commodities Pvt Ltd)	14.57	16.98	14.57	16.98
Vandana Vinod Jhawar	6.52	7.60	6.52	7.60
Vinod Sohanlal Jhawar	15.30	17.84	15.30	17.83
Dhanlaxmi Cotex Ltd	11.85	13.81	11.85	13.81

12.5: The details of Shareholders holding more than 5% Shares in the company

Name of Shareholders	As at 31st March, 2026		As at 31st March, 2025	
	No of Shares	% held as at	No of Shares	% held as at
Eskay Niryat Pvt Ltd.	12.80	14.92	12.80	14.92
Promtech Impex Pvt Ltd	12.80	14.92	12.80	14.92
Varshrita Multitrade Private Limited (Formerly Known as Jhawar Commodities Pvt Ltd)	14.57	16.98	14.57	16.98
Vandana Vinod Jhawar	6.52	7.60	6.52	7.60
Vinod Sohanlal Jhawar	15.30	17.84	15.30	17.83
Dhanlaxmi Cotex Ltd	11.85	13.81	11.85	13.81

13 OTHER EQUITY

Particulars	As at 31/03/2026	As at 31 /03/2025
Capital Reserve		
At the beginning and at the end of the year	-	-
General Reserve		
Opening Balance(As per last Balance Sheet)	119.08	119.08
Add: Transferred from Surplus	-	-
	119.08	119.08
Retained Earnings		
Opening Balance (As per last Balance sheet)	2,874.31	2,865.36
Add: Net Profit after tax Transferred from Statement of Profit & Loss	(330.35)	8.95
	2,543.97	2,874.31
Add: Transfer from OCI on disposal of subsidiary	(12.63)	-
	2,531.34	2,874.31
Security Premium		
Opening Balance	896.00	896.00
Add: During the Year	-	-
Surplus Closing Balance	896.00	896.00
Other Comprehensive Income		
Opening Balance	(12.63)	4.83
Less: Transfer to retained earning on Disposal of Subsidiary	12.63	(17.46)
Closing Balance	-	(12.63)
Total	3,546.42	3,876.76

14 DEFERED TAX LIABILITIES (NET)

Particulars	As at 31/03/2026	As at 31 /03/2025
At Beginning of the year	136.08	60.55
Deffered Tax Liability/ (Assets) for the year	(55.72)	75.52
Adjustment on sale of Disposal of Subsidiary	(0.88)	-
At Closing of the year	79.48	136.08

14.1 The deferred Tax balances have arisen principally on account of timing difference between the depreciation admissible under the Income tax Act 1961 and depreciation as per Provisions of Companies Act, 2013 and due to profit on sale of Fixed Assets.

15 OTHER LONG TERM LIABILITIES

Particulars	As at 31/03/2026	As at 31 /03/2025
Deposits received from Licensee	15.90	15.90

15.1 Security deposits received against Leave and Licence Agreement entered with the following Licensee for office No.402 to 406 at Kailas Corporate Launge Vikroli given on rent to them.

Particulars	As at 31/03/2026		As at 31 /03/2025
1. L W Construction Pvt Ltd	15.90		15.90
Total	15.90		15.90

15.2 The carrying value of Security Deposits is deemed to be the Fair Value.

16 SHORT TERM BORROWINGS.

Particulars	As at 31/03/2026		As at 31 /03/2025
Secured Loans			
Cash credit from The Shamrao Vithal Co-Op. Bank Ltd	-		-
Cash Credit from Axis Bank Ltd.	-		-
Working Capital Demand Loan with SVC Bank Ltd	-		-
Working Capital Demand Loan with Axis Bank Ltd	-		-
Current Maturities of Long Term Loan from AXIS Bank	-		-
Current Maturities of Long Term Loan from The Shamrao Vithal Co-Op. Bank Ltd	-		-
Unsecured Loans			
Unsecured Loan taken from Directors	-		0.70
Unsecured Loan taken from Corporates	30.00		-
TOTAL	30.00		0.70

18 OTHER CURRENT LIABILITIES

Particulars	As at 31/03/2026		As at 31 /03/2025
Salary payable	8.97		8.76
Advance from Customers	2.01		2.76
Statutory Liabilities	9.11		5.26
Total	20.09		16.77

19 SHORT TERM PROVISIONS

Particulars	As at 31/03/2026		As at 31 /03/2025
Provision for Outstanding Expenses	22.25		18.10
Total	22.25		18.10

Dhanlaxmi Fabrics Limited
Notes to the Consolidated Financial Statements for the Year
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20 REVENUE FROM OPERATIONS

(Amount in Lacs.)

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Revenue from Sales and Job Work	2,438.97	1,311.20
Total	2,438.97	1,311.20

21 OTHER INCOME

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Interest Income	35.09	51.63
Lease Rent Received	72.88	52.87
Capital Gain on Sales of Shares	19.75	60.09
Net Gain on disposal of Subsidiary	11.98	-
Misc. Income including Scrap Sales	0.10	13.29
Dividend received	2.30	4.18
Creditors/Payables Written off	-	0.64
Interest on IT Refund Received	0.07	0.16
Total	142.18	182.85

22 COST OF RAW MATERIALS CONSUMED

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Yarn	723.76	66.17
Dyes	-	-
Chemicals	-	-
Packing Material	2.52	1.94
Coal	-	-
Consumables	41.91	11.72
Less: Discount on Purchase	(3.18)	(0.95)
Less: Purchase Return	-	-
Total	765.00	78.87

23 STORES AND SPARES CONSUMPTION

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Indigenous	36.24	55.18
Total	36.24	55.18

24 PURCHASES OF STOCK IN TRADE

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Fabric Purchase	1,033.19	462.89
Total	1,033.19	462.89

25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Inventory (At close)		
Fabric	83.95	152.95
Work in Progress	76.89	8.34
Raw Material	105.45	69.14
Stores and Spares	66.94	66.21
Total	333.22	296.63
Inventory (At commencement)		
Fabric	152.95	162.73
Work in Progress	8.34	6.43
Raw Material	69.14	304.03
Stores and Spares	66.21	57.42
Total	296.63	530.61
Net Change	(36.60)	233.98

26 EMPLOYEE BENEFIT EXPENSES

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Job Work Contractor Charges	97.33	85.32
Salary, Bonus and Others	122.05	129.11
Director's Salary	66.00	81.00
Contribution to P.F & ESIC	6.51	8.34
Contribution to Gratuity Fund	0.01	0.08
Contribution to Maharashtra Labour Welfare Fund	0.02	0.02
Staff welfare Expenses	5.57	6.16
Total	297.49	310.02

27 FINANCE COST

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Interest on Working capital Loan	-	4.51
Interest on Term Loan	-	-
Interest on Reversal of Excess TUF subsidy received	17.43	26.12
Interest on Others	0.52	10.76
Bank charges/ Loan Processing Fees	1.74	0.30
Total	19.69	41.69

28 DEPRECIATION

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Depreciation on Fixed Assets	30.53	62.98

28.1 Depreciation has been provided as per guidelines given in Schedule II of Companies Act, 2013 on straight line method.

29 OTHER EXPENSES**29.1 Manufacturing expenses**

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Electricity Charges	211.22	201.54
Water Expenses	3.08	4.99
Repairs to building	60.45	19.60
Repairs to Machinery	0.43	15.61
Repairs and Maintenance Others	9.31	7.34
Weaving Charges	20.88	19.60
Freight & forwarding expenses (Domestic)	8.47	6.37
Insurance	4.18	4.62
Lease Rent	36.62	18.90
Sizing/Warping Charges	35.81	4.69
Textile Job work Expenses	111.39	74.31
Total	501.82	377.57

29.2 Selling & distribution expenses

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Sales Promotion	7.74	17.91
Cash Discount	-	0.03
Commission & Brokerage	11.26	10.51
Total	19.00	28.45

29.3 Administrative expenses

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Property Tax & Other Related Expenses	15.65	10.98
Property Tax (KDMC)	13.16	15.27
Factory Revovation Expenses	76.41	76.41
Printing & stationery	0.39	0.54
Postege & courier charges	0.59	0.32
BCUI & CMIA Units Expenses	2.32	0.35
Legal & professional fees	39.28	40.50
Advertisement charges	0.30	0.65
Conveyance expenses	1.89	7.04
General office expenses	4.43	3.88
Listing fees - Stock Exchange	3.25	9.24
Motor Car Expenses	2.86	5.15
Mobile and Telephone Expenses	0.80	1.18
Director Sitting Fees	1.20	1.20
Sundry Balances W/off	2.74	22.64
Disputed Trade Payable Settlement Expenses	20.65	-
Travelling Expenses	3.78	6.87
Other expenses	2.67	10.07
Total	192.37	212.29
Total 31.1+31.2+31.3	713.19	618.32

29.3.A : "During the year, the Company has settled a disputed trade payable pursuant to the order of the Hon'ble High Court and has accordingly recognized expenses amounting to ₹ 20,64,853 under Other Expenses in the Statement of Profit and Loss."

Payment to auditors

Particulars	For Year ended on 31/03/2026	For Year ended on 31/03/2025
Auditor		
Statutory audit Fees	1.35	1.75
Tax Audit Fees	0.40	0.40
Total	1.75	2.15

30 EXCEPTIONAL ITEMS

Particulars	For Year ended on 31/03/2026		For Year ended on 31/03/2025
Bad Debts (Written off)/Recovery (Net)	5.00		46.61
TUF Subsidy Received	11.40		-
Reversal of Excess TUF Subsidy Received	-		(32.85)
Reversal of Excess Property Tax (KDMC) Paid	-		35.33
Profit on Sale of Assets	(124.86)		397.68
Total	(108.46)		446.77

31 EARNING PER SHARE(EPS)

Particulars	For Year ended on 31/03/2026		For Year ended on 31/03/2025
(i) Net Profit after tax as per statement of Profit & Loss Attributable to equity Shareholders	(330.35)		8.95
(ii) Weighted average number of Equity shares used as denominator for calculating EPS	85.81		85.81
(iii) Basic and Diluted Earnings per share	(3.85)		0.10
(iv) Face Value per Equity share	Rs.10/-		Rs.10/-

32 CONTINGENT LIABILITIES

Particulars	For Year ended on 31/03/2026		For Year ended on 31/03/2025
<u>Contingent Liabilities not provided for in respect of</u>			
1. Shri Dhairyasheel Mane Textile Park, Ichalkaranji Bills for Common Infrastructure & interest raised by park are under dispute as per M.O.U signed by the park. Legal case Appeal is pending before Appellate Court	528.96		528.96

33 FOREIGN EXCHANGE EARNING AND OUTGO

Particulars	For Year ended on 31/03/2026		For Year ended on 31/03/2025
a) Earning - Export	-		-
b) Outgo - Import of Spares for Imported Machinery	4.75		41.19

34 Related party disclosure

a) Name of the related party and description of relationship.

S.No.	Related Parties	Nature of Relationship
1	Promtech Impex Pvt Ltd	Common Directors
2	Vinod S Jhawar	Director
3	Mahesh S Jhawar	Director
4	Mukul V Jhawar	Director
5	Lalit V Jhawar	Chief Financial Officer (Resigned w.e.f. 16/12/2024)
6	Ayushi Gilra	Independent Women Director
7	Durgesh Kabra	Independent Director (Resigned w.e.f. 28/01/2025)
8	Atul Rungta	Independent Director
9	Deepika Khangarot	Company Secretary (Resigned w.e.f. 06/10/2023)
10	Ushma Dudani	Company Secretary (Resigned w.e.f. 31/05/2024)
11	Shivanshi Mishra	Company Secretary (Resigned w.e.f. 30/05/2025)
12	SWATHI KANAI SAMANTA	Company Secretary (Appointed w.e.f. 28/08/2025)
13	Darshan Tarachand Jain	Independent Director (Appointed w.e.f. 08/02/2025)
14	Richa M Jhawar	Director in Subsidiary Company
15	Shalmalee L Jhawar	Director in Subsidiary Company

b) Details of Transactions and Balances during the year with related parties at the year end.

S.No.	Related parties	Nature of Transactions during the year	(Amount in Lacs)	
			FY 2025-26 (Rs.)	FY 2024-25 (Rs.)
1	Promtech Impex Pvt Ltd	Interest Received (Net)	31.04	33.56
		Loan Repayment Received (Net)	340.01	-
		Loan Given (Net)	-	336.65
		Rent Received	0.62	0.62
3	Mahesh S Jhawar	Loan Received	-	0.70
4	Vinod S Jhawar	Directors Salary	42.00	42.00
5	Mukul V. Jhawar	Directors Salary	24.00	39.00
6	Durgesh Kabra	Director Sitting Fees	-	0.30
7	Atul Rungta	Director Sitting Fees	0.40	0.40
8	Ayushi Gilra	Director Sitting Fees	0.40	0.40
9	Darshan Tarachand Jain	Director Sitting Fees	0.40	0.10
10	Lalit V Jhawar	Salary & Professional Fees	-	18.00
11	Shalmalee L Jhawar	Salary	24.00	20.81
12	Richa M Jhawar	Salary	24.00	-
13	Ushma Dudani	Salary	-	0.27
14	Shivanshi Mishra	Salary	0.40	2.68

c) Details of Balances with related parties at the year end.

S.No.	Related parties	FY 2025-26		FY 2024-25	
		Dr. Balance	Cr. Balance	Dr. Balance	Cr. Balance
(i)	Promtech Impex Pvt Ltd	153.22	-	-	493.22

34.1 All related party transactions are excluding GST and other taxes as applicable.**35 Financial instruments – Fair values and risk management****A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at 31st March 2026						
Particulars	Carrying amount				Fair value	
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Total
Financial assets						
Investments	-	12.63	-	12.63	12.63	12.63
Trade Receivables	-	-	503.96	503.96	503.96	503.96
Cash and cash equivalents	-	-	63.08	63.08	63.08	63.08
	-	12.63	567.04	579.67	579.67	579.67
Financial liabilities						
Trade Payables	-	-	325.42	325.42	325.42	325.42
Short Term Borrowings	-	-	30.00	30.00	30.00	30.00
Long Term Borrowings	-	-	-	-	-	-
	-	-	355.42	355.42	355.42	355.42
As at 31st March 2025						
Particulars	Carrying amount				Fair value	
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Total
Financial assets						
Investments	-	(17.46)	565.85	548.40	548.40	548.40
Trade Receivable	-	-	264.81	264.81	264.81	264.81
Cash and cash equivalents	-	-	90.71	90.71	90.71	90.71
	-	(17.46)	921.38	903.92	903.92	903.92

Financial liabilities						
Trade Payables	-	-	231.79	231.79	231.79	231.79
Short Term Borrowings	-	-	0.70	0.70	0.70	0.70
Long Term Borrowings	-	-	-	-	-	-
	-	-	232.49	232.49	232.49	232.49

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

C. Financial Risk Management

C.i. Risk management framework

A wide range of risks may affect the Company's business and operational or financial performance. The risks that could have significant influence on the Company are market risk, credit risk and liquidity risk. The Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimise potential adverse effects of such risks on the company's operational and financial performance.

C.ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an on-going basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on assets as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding looking information such as:

- i) Actual or expected significant adverse changes in business
- ii) Actual or expected significant changes in the operating results of the counterparty
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparties ability to meet its obligation
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

Financial assets are written off when there is a no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. When loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. When recoverable are made, these are recognised as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Ageing of Accounts receivables :			(Amount in Lacs.)
Particulars	As at March 31, 2026		As at March 31, 2025
0 - 6 months	483.18		219.57
6 months - 1 year	13.05		3.88
1-2 year	4.95		35.76
2-3 year	1.90		0.93
More than 3 year	0.87		4.68
Total	503.96		264.81

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

(b) Cash and cash equivalents and Other Bank Balances

The Company held cash and cash equivalents and other bank balances as stated in Note No. 10. The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing.

C.iii. 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.

Liquidity risk is managed by Company through effective fund management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and other borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

C.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk, interest rate risk.

C.iv.a Currency risk

The Company is not exposed to any currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in INR's Only. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

C.iv.b Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

36 Disclosure of Financial Ratios

Particulars	Particulars	Numerator	Denominator	31st March 2026	31st March 2025	% of Variance
1	Current Ratio	1,882.46	397.76	4.73	5.88	(19.51)
2	Debt-Equity Ratio	30.00	4,404.53	0.01	0.00	4,507.15
3	Debt Service Coverage Ratio	(210.97)	49.69	(4.25)	(6.30)	(32.63)
4	Return on Equity Ratio	(330.35)	4,569.70	(0.07)	0.00	(3,928.26)
5	Inventory Turnover Ratio	2,438.97	314.93	7.74	3.17	144.30
6	Trade Receivable Turnover Ratio	2,438.97	384.39	6.35	3.69	71.75
7	Trade Payable Turnover Ratio	1,834.43	278.60	6.58	2.40	174.16
8	Net Capital Turnover Ratio	2,438.97	1,484.70	1.64	1.00	63.46
9	Net Profit Ratio	(330.35)	2,438.97	(0.14)	0.01	(2,084.51)
10	Return on Capital Employed	(366.36)	4,514.00	(0.08)	0.02	(433.42)

Remarks:-

- Debt-Equity Ratio increased during the year due to availment of short-term borrowings, whereas borrowings were negligible in the previous year.
- Improvement in operating performance during the year resulted in lower negative Debt Service Coverage Ratio.
- Loss incurred during the year resulted in negative Return on Equity Ratio.
- Increase in turnover during the year resulted in higher Inventory Turnover Ratio.
- Increase in turnover during the year resulted in higher Trade Receivables Turnover Ratio.
- Increase in purchases during the year resulted in higher Trade Payables Turnover Ratio.
- Increase in turnover during the year resulted in improvement in Net Capital Turnover Ratio.
- Loss incurred during the year resulted in negative Net Profit Ratio.
- Loss incurred during the year resulted in negative Return on Capital Employed Ratio.

37 Additional Regulatory Information in Schedule III

- All the Title deeds of Immovable properties (other than properties where the Company is the lessee and the lease agreement are duly executed in favour of the lessee) are in the name of the Company
- The Company does not have any investment property, hence the question of disclosure and valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 does not arise
- The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- The Company has not given any Loans or advances to specified persons during the year
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- The quarterly information statement filed by the Company with banks or financial institutions are in agreement with the books of accounts
- Wilful Defaulter : the Company has not been declared as wilful defaulter by any bank or Financial institution or other lender
- The Company does not have any transactions or relationship with Struck off Companies
- There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- The provision related to number of layers as prescribed under section 2(87) of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to Company
- Detailed Ratio analysis given in note number 38
- There are no Scheme of Arrangements as on March 31, 2026
- Utilisation of borrowings availed from banks and financial institutions The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken and funds raised on short term basis have not been utilised for long term purposes
- Additional information to be disclosed by way of Notes to Statement of Profit and Loss
- The Company does not have any undisclosed income as on March 31, 2026.
- The Company does not have any Crypto Currency or Virtual Currency as on March 31, 2026

38 Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility ("CSR") are not applicable to the Company during the year under review. Accordingly, no amount was required to be spent on CSR activities during the year.

39 During the year, the Group sold its entire investment in its subsidiary company, DFL Fabrics Pvt Ltd and consequently ceased to exercise control over the said company with effect from the date of transfer of shares. Accordingly, the financial statements of the said company have been consolidated only up to the date on which control ceased. The resultant gain / loss on disposal has been recognised in the Consolidated Statement of Profit and Loss.

40 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

As per our report of even date
For R H A D & Co
Chartered Accountants
FR No - 102588W

Ankit Bangar
Partner
Membership No.172618
Place: Mumbai
Date: 30th May 2026

For and on behalf of the Board of Directors

Mukul V. Jhawar
Director & CFO
DIN:07966851

Vinod S. Jhawar
Managing Director
DIN: 00002903

Swathi Kanai Samanta
Company Secretary