

REF: HSL/SEC/2026/64

September 01, 2026

|                                                                                                                                                        |                                                                                                                                                                                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| To<br>The Deputy Manager<br>Department of Corporate Services<br>BSE Limited.<br>PJ Towers, Dalal Street<br>Mumbai -400001<br><b>Scrip Code: 514043</b> | To<br>The Manager<br>National Stock Exchange of India Limited.<br>Exchange Plaza, Plot No. C/1, G Block<br>Bandra-Kurla Complex, Bandra (E),<br>Mumbai 400051<br><b>Symbol: HIMATSEIDE</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Dear Sir/ Madam,

**Sub: 41st Annual Report for the Financial Year 2025-26**

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

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose a copy of the 41st Annual Report of the Company for the financial year ended March 31, 2026.

This is for your information & records.

Thanking you,

Yours Sincerely,

**For Himatsingka Seide Limited**

**DORAISWAMY**

**BINDU**

Digitally signed by DORAISWAMY  
BINDU  
Date: 2026.09.01 19:41:52 +05'30'

**Bindu D.**

**Company Secretary & Compliance Officer**

**Himatsingka Seide Limited**

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Bangalore – 560001, India

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**CIN L17112KA1985PLC006647**

**[www.himatsingka.com](http://www.himatsingka.com)**

UNLOCKING OUR

# PTENTIAL



**Himatsingka**

**Note:** Forward-looking statements in this Annual Report should be read in conjunction with the following cautionary statements. Certain expectations and projections regarding future performance of the Company referenced in this Annual Report are forward-looking statements. These expectations and projections are based on currently available information along with the Company's operating plans and are subject to certain future events and uncertainties, that could cause actual results to differ materially from those that may be indicated in such statements.

**At Himatsingka, our path to unlocking our potential is defined by three ambitions. To **extend** our capacities of global scale; **elevate** our offering to Total Textile Solutions; and **excel** in everything we do.**

We have amongst the largest, and most integrated textile manufacturing capacities globally. Our advanced technology platforms, multi-category capabilities, and bespoke client-centric model, are proven, predictable, agile, and ready to unlock more. The time is right to **extend** our capacities and capabilities, beyond Home Textile Solutions.

Being a global leader in home textiles is just one milestone in our journey toward becoming a Total Textile Solutions Major. Building on our leadership in Home Textile Solutions, we are now **elevating** our portfolio to include Yarn Solutions, Fabric Solutions, and Apparel Solutions—categories where our integrated approach, manufacturing strength and market foresight, give us strong competitive advantage.

Making better lives possible inspires everything we do. From ensuring a safe and empowering shopfloor for our people; to growing our brand partnerships in India and globally; and enhancing the comfort and aspirations of consumers all over the world, we are focused on unlocking Himatsingka's potential. This resolve and rigour also powers our ESG goals. To **excel** is enshrined in the Himatsingka way, and embedded in our vision. It drives us to think forward, act purposefully, redefine possibility, and relentlessly pursue excellence.



## OUR VISION

**Redefining possibility  
and delivering distinction  
through the relentless  
pursuit of excellence.**

## THE HIMATSINGKA WAY

At Himatsingka, courage and imagination go hand-in-hand in the perennial pursuit of perfection. Through meticulous planning and rigorous execution, we turn dreams into reality. We relish challenges and thrive in the face of all odds. With 'forward thinking', 'purposeful action' and 'unyielding integrity', we aim to be a force for positive change and value creation while delivering happiness to millions of customers across the world.

OUR VALUES

**Courage**  
**Respect**  
**Unity**  
**Foresight**  
**Quality**  
**Trust**  
**Agility**



Himatsingka





OUR PURPOSE

# Making Better Lives Possible



Himatsingka



UNLOCKING OUR

# PTENTIAL

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**Himatsingka is tapping into its potential by thinking ahead, executing with precision, and servicing with passion.**











1

. . . . .

Company: Himatsingka

4

. . . . .

Manufacturing facilities (across 2 campuses)

8

. . . . .

Portfolio brands to serve audiences globally

28

. . . . .

Indian States served

42

. . . . .

Countries reached

41

. . . . .

Years of textile leadership and legacy

130

. . . . .

Clients across the world

320

. . . . .

Products for every corner of the home

7,000+

. . . . .

Associates

25,000

. . . . .

Tons per annum: Integrated Terry Towel Manufacturing Capacity

211,584

. . . . .

Spindles: Integrated Yarn Manufacturing Capacity  
(world's largest cotton spinning plant under one roof)

2,000,000

. . . . .

Meters per annum: Integrated Drapery & Upholstery Capacity

90,000,000

. . . . .

Meters per annum: Integrated Sheeting & Fabrics  
Manufacturing Capacity

# About Himatsingka

Himatsingka is a vertically integrated global textile major that designs, develops, manufactures, and distributes a suite of Textile Solutions, which include Home Textile Solutions, Yarn Solutions, Fabric Solutions, and Apparel Solutions\*. With four manufacturing facilities, our installed capacities are designed for global scale and are amongst the largest in the world for the categories of products they produce. Powered by multiple brands and strong private label portfolios, our distribution capabilities are deep, expansive and future-ready.

\*to commence in the near term

**Home Textiles Solutions:** Our portfolio assets include amongst the world's largest Integrated Sheeting, Terry Towel, and Drapery & Upholstery Plants for producing Bedding, Bath, and Drapery & Upholstery Products.

**Capacity — Sheeting: 30 MMPA (million meters per annum)**  
**Capacity — Terry Towels: 25,000 TPA (tons per annum)**  
**Capacity — Drapery & Upholstery: 2 MMPA (million meters per annum)**

**Yarn Solutions:** Our portfolio assets include the world's largest Cotton Spinning Plant under one roof.

**Capacity — 211,584 Spindles**

**Fabric Solutions:** Our portfolio assets include amongst the world's largest, Integrated Fabric Manufacturing Plants for producing Lifestyle Fabric Products.

**Capacity — 60 MMPA (million meters per annum)**

**Apparel Solutions:** Our portfolio assets include a state-of-the-art Apparel Manufacturing Plant.

**Capacity — 800 Machines**

**Sales Offices and Warehousing:**

**Our global network spans North America, Europe and India**

UNLOCKING MARKET

# P TENTIAL







**We believe our initiatives to build scale-oriented manufacturing and distribution platforms will position us to tap into larger opportunities that will help us in sustaining growth rates, going forward. The emerging opportunities in the global textile space, both onshore and offshore, are immense. India has all the ingredients to be a formidable force in the global textile ecosystem. It is equipped with a strong raw material base, ever-increasing manufacturing capacities, a large workforce, and balanced regulatory policies that will enable it to navigate growth opportunities in the future.**

**“Himatsingka is ensuring its readiness to be an integral part of the growth journey that India and the textile industry will witness in the years to come.”**

**Shrikant Himatsingka**  
Executive Vice Chairman & Managing Director

- India is the sixth-largest economy (as of July 2026), projected to become the fourth largest by 2030.
- GDP is projected to increase from US\$ 4.15 trillion in 2026, to US\$ 6.79 trillion by 2031, with real GDP growing at about 7.7% per annum.
- Population, at over 1.48 billion, has outstripped China's to become the largest in the world.
- The Indian Domestic Textile and Apparel Market has grown from US\$ 50 billion in 2010–11, to US\$ 157 billion in 2025–26, registering a CAGR of 8%.
- As of 2026, the household segment continues to occupy a major share of end-use demand for home textiles.
- India's Home Textile industry has grown at a CAGR of 7% in value terms, from US\$ 8 billion in 2019–20, to US\$ 12 billion in 2025–26.

Source: IMF (World Economic Outlook, July 2026); Wazir Analysis.



UNLOCKING HIMATSINGKA

# PTENTIAL

- 
- > **Extending Capacities of Global-Scale**
  - > **Elevating Our Product Mix**
  - > **Excelling in Everything We Do**





UNLOCKING HIMATSINGKA

**P<sup>❄</sup>TENTIAL**



# EXTEND

Unlocking our potential by extending our capacities of global scale.

Spread across 425 acres, we have built amongst the largest textile manufacturing hubs in the world. While our capacities of global scale have powered Himatsingka's leadership in home textiles, they are designed to deliver more. Going forward, we aim to optimally harness our existing, integrated manufacturing infrastructure and capacities, to emerge as a Multi-category, Total Textile Solutions Major, with a global presence.

**We will fully extend our digitized manufacturing platforms, operational agility, and relentless ambition, to deliver the entire gamut of textile solutions—from Home Textile Solutions, to Yarn Solutions, Fabric Solutions, and Apparel Solutions.**

- 
- > Leverage existing infrastructure to enter new verticals.
  - > Accelerate capacity utilization levels by diversifying market and category presence.
  - > Transition from Home Textile Solutions to Total Textile Solutions.
  - > Total integration from fiber to shelf empowering innovative, agile and high frequency product solutions.







# ELEVATE

Unlocking our potential by elevating our product solutions matrix.

Himatsingka is a well-established industry leader in the home textiles space and we will continue to mine the potential of this vertical.

However, looking ahead, the broader universe of textile solutions presents immense opportunities. Our global scale and flexible manufacturing platforms are primed to tap into emerging local and global opportunities to create greater value. To energize our growth, and lower concentration risk on home textiles, Himatsingka is diversifying its product mix, with a multi-pronged portfolio, across Yarn, Fabric, and Apparel Solutions. We believe our integrated capabilities, home textile market penetration, brand partnerships, and client networks, provide a powerful springboard to deliver a more compelling matrix of Total Textile Solutions.

**We are on the path to transitioning from a Global Home Textiles Major into a Total Textile Solutions Powerhouse.**

- Evolve our portfolio from a single product vertical to four distinct solutions verticals: Home Textile Solutions, Yarn Solutions, Fabric Solutions, and Apparel Solutions.
- Build a multi-pronged product portfolio to access a larger textile universe.
- Establish a more diversified operating base vis-a vis. revenue, clients, markets and product categories.

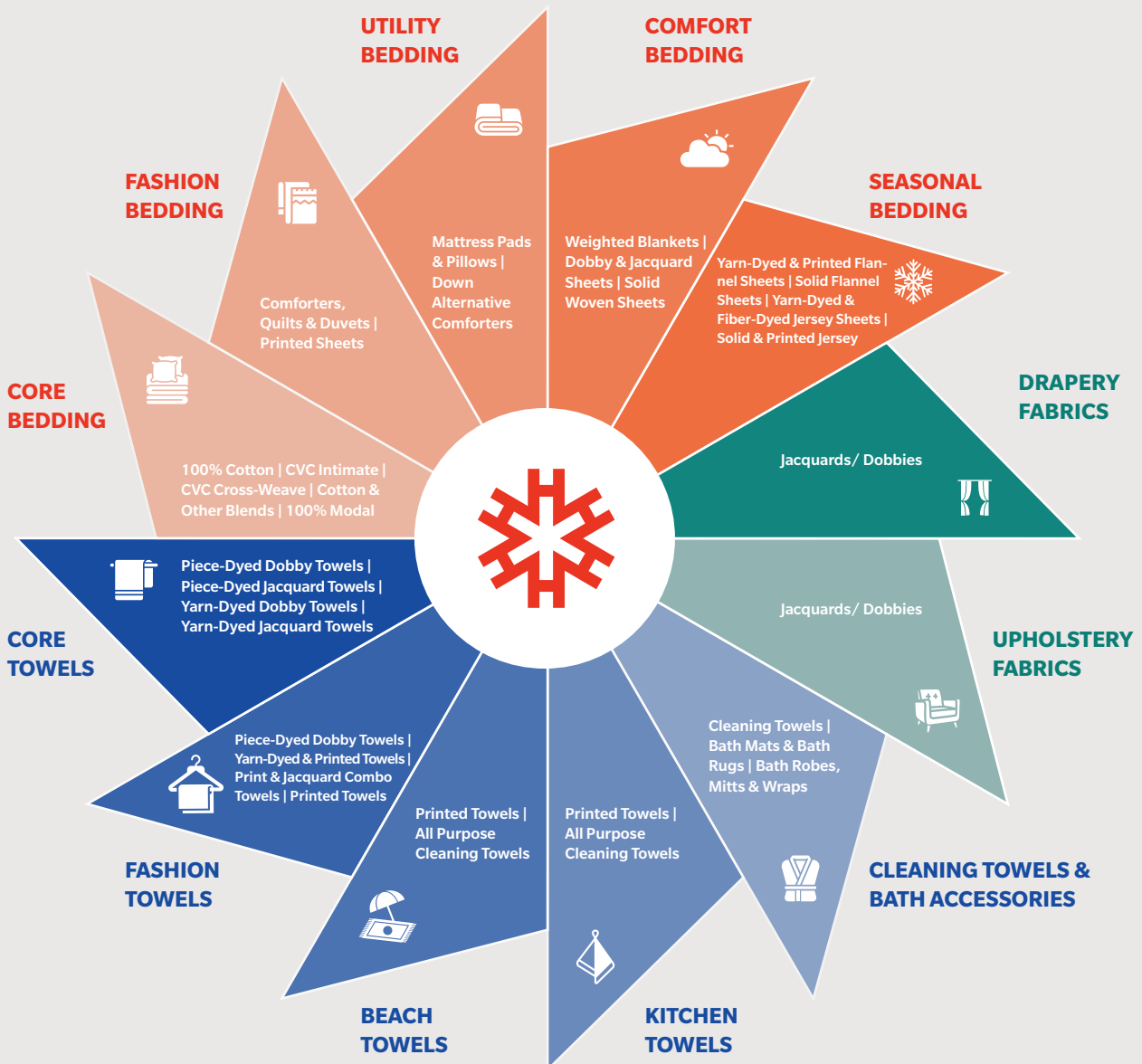


## BATH SOLUTIONS



A complete suite of bath solutions using cutting edge technology—products for every specification, price point and market.

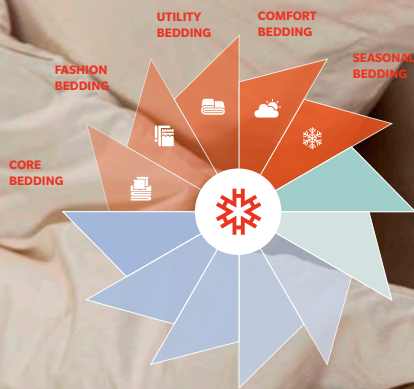
# HOME TEXTILE SOLUTIONS



Adding value through a comprehensive range of soft home products for global audiences.



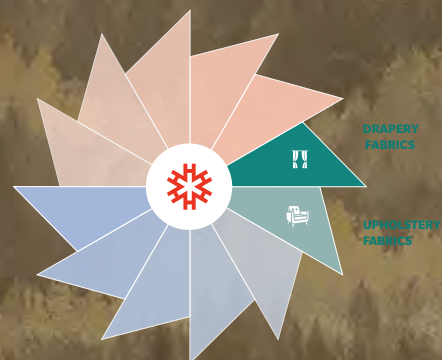
## BEDDING SOLUTIONS



Bedding Solutions manufactured using the finest technology, the highest quality of raw materials, and the best the world of innovation has to offer.



## DRAPERY & UPHOLSTERY SOLUTIONS



A legacy of bespoke manufacturing to produce luxury decorative fabrics for the most discerning audiences, worldwide.

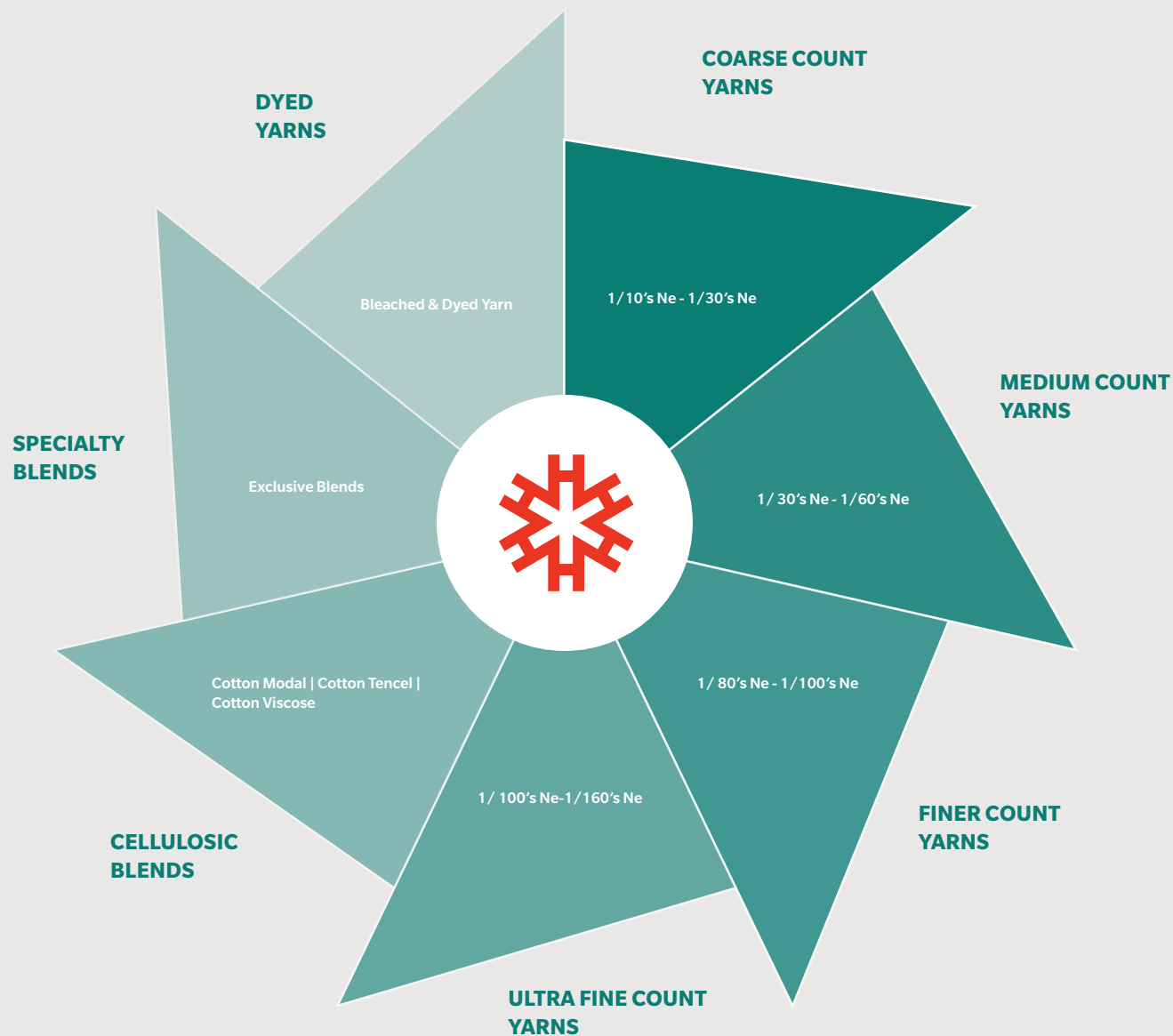




A wide cross-section of high quality cotton and specialty yarns manufactured at the world's largest cotton spinning plant under one roof.



# YARN SOLUTIONS



From yarns for coarse denim wear, to yarns for ultra fine shirting—from 1/10's Ne – 1/160's Ne—we produce it all under one roof.



An impressive suite of lifestyle fabrics that leverage the best of design, technology and innovation.



# FABRIC SOLUTIONS



Lifestyle fabrics that find their way into everyday moments and celebrations, to become an integral part of our work life, family life, vacations and festivals.



Woven and knitted apparel products that cater to consumers across markets and price points.



# APPAREL SOLUTIONS

## WOVEN GARMENTS

Shirts | Trousers | Dresses |  
Jackets | Outerwear

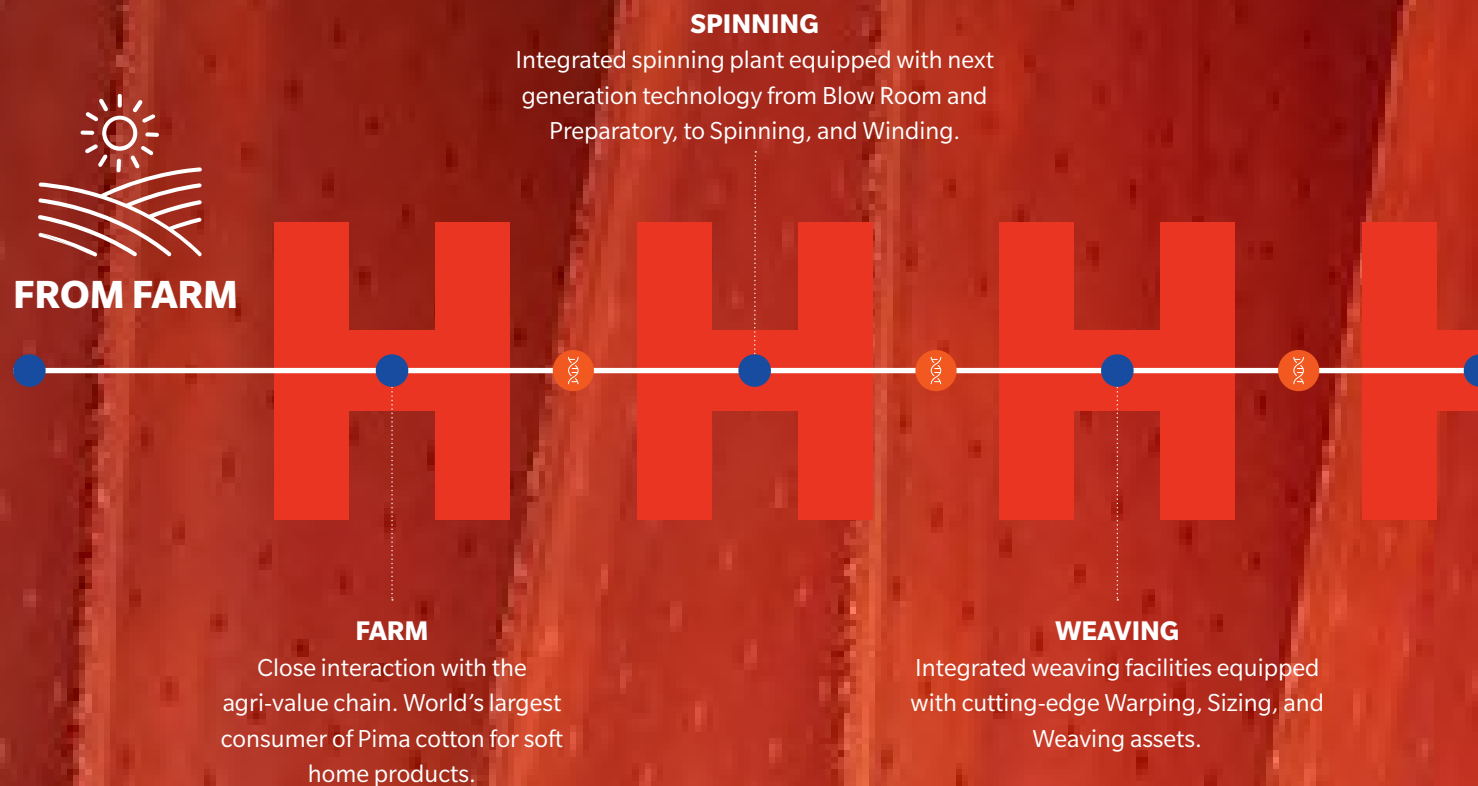


T-shirts | Polos |  
Activewear | Leggings

## KNITTED APPAREL

By entering the vast world of Apparel Solutions,  
we complete our offering of Total Textile Solutions.

# TOTAL INTEGRATION



\*Million Meters Per Annum

\*Tons Per Annum



### PROCESSING

State-of-the-art, integrated processing plants for woven and knitted products.

### WAREHOUSING

India | Italy | USA

### CUT & SEW

Automated, state-of-the-art, highly flexible cutting and sewing infrastructure.

### BRANDS & DISTRIBUTION

Design, sales and client servicing offices in New York, Milan and Bangalore.





## INNOVATION MINDSET

At Himatsingka, we extend our capabilities and elevate our product offering, with an innovation mindset. Embedding AI and automation across the manufacturing lifecycle—from predictive trend intelligence and generative design, to smart materials and connected manufacturing—we are compressing the innovation pathway, from concept to shelf. Our digital-first approach doesn't just speed up innovation, it makes it smarter, more precise and more responsive to what the market wants next. It's how we're building the textiles of tomorrow, today.





- > Industry 4.0 manufacturing innovation to maximize asset and capacity utilization levels at all our facilities.
- > Next-level operational agility to continuously design new products and recalibrate existing assortments.
- > Sustainability-focused thinking for resource-positive manufacturing solutions, responsible product curation, eco-friendly packaging, supply chain improvements and value-based customization.

**Key Technologies:**

**SuedePro**

**BACTGUARD™**  
CLEANER - FRESHER - SAFER

**[GRIPON]™**  
FITTED SHEET TECHNOLOGY

**Crease Control™**

**Brands:**

**HIMÊYA®**

**liv™**

**atmosphere®**

**HomeGROWN  
COTTON**  
PROUDLY GROWN IN THE USA

**PimaCotton**

**WEAVERPRO**

**KNIPTRO**

**Bellora®**  
since 1883  
MILANO

**“The path to unlocking our fullest potential, requires us to broaden our definition of success. It calls on us to steward the environment, invest in our people, contribute to the progress of our communities, and uphold the highest standards of governance. Guided by The Himatsingka Way, we are committed to expanding our legacy of responsible growth, positive impact, and shared prosperity.”**

**– Shrikant Himatsingka, Executive Vice Chairman & Managing Director**



UNLOCKING HIMATSIINGKA

**P\*ENTIAL**



# EXCEL

Unlocking our potential by excelling in everything we do.

At Himatsingka, our ESG goals are woven into the way we operate, grow, and create value. We fully recognize that long-term success depends on balancing business performance with environmental responsibility, social progress, and good governance. Our approach focuses on managing resources responsibly, creating opportunities for our people, strengthening the communities around us, and conducting business with integrity and accountability.

As sustainability expectations from businesses continue to rise, we are expanding our efforts across each pillar of ESG. Through investments in renewable energy and resource efficiency, initiatives that support employee well-being and community development, and governance practices that reinforce ethical and transparent decision-making, we aim to create positive and sustainable impact for our stakeholders, while building a resilient business for the future.



# ENVIRONMENT

Reducing our environmental impact remains a key priority as we work towards a more sustainable future. We continue to invest in cleaner energy sources, improve operational efficiency, and adopt practices that support responsible resource management across our manufacturing footprint.

- Increasing the contribution of renewable energy within our overall energy mix.
- Investing in solar power and other clean energy initiatives to reduce carbon emissions.
- Enhancing energy efficiency across manufacturing operations through process improvements and technology adoption.
- Pursuing opportunities to strengthen environmental performance across the value chain.

## Sustainability Goals

- Carbon neutral by 2035.
- 100% renewable energy by 2027.
- All manufacturing facilities to be ZWL\*-certified.
- Operate Zero Liquid Discharge (ZLD) water management plants across manufacturing facilities.

\*Zero Waste Landfill

## Environmental Impact Indicators



**63,525 MT**

CO<sub>2</sub> Emissions  
Reduced



**462 MT**

Waste Saved  
and Repurposed



**99.5%**

Recovery of  
Water



**1.8%**

Reduction of  
Annual Energy  
Footprint



**0%**

Usage of  
Coal  
by 2030





vestiretors





# SOCIAL

Our commitment to social responsibility extends both within our organization and beyond it. We strive to create an environment where employees can thrive, while supporting initiatives that improve the quality of life in the communities where we operate.

## At Work

- Fostering a workplace culture built on collaboration, inclusion, innovation, and equal opportunity.
- Supporting continuous learning and capability building through structured development programs at the Himatsingka Learning Academy.
- Promoting employee well-being through a strong focus on health and safety, including regular health check-ups and preventive care initiatives, particularly in manufacturing environments.
- Delivering industry-leading health and safety performance, with some of the lowest injury and accident rates in the sector.





## Around Us

- Supporting the development of communities surrounding our manufacturing facilities through focused social investment programs.
- Advancing access to education, healthcare, and infrastructure through initiatives such as solar-powered classrooms, school support programs, and improvements to sanitation and public amenities.
- Collaborating with partner institutions to establish a Center for Care, Training, and Research in Aging and Geriatrics, to strengthen healthcare access and capabilities.
- Enabling economic empowerment for women in rural communities through vocational training and skill development centers that enhance livelihood opportunities.



# GOVERNANCE

Strong governance is fundamental to sustaining stakeholder confidence and supporting long term value creation. Our governance framework emphasizes accountability, transparency, ethical conduct, and compliance across all levels of the organization.

- 
- Clearly defined governance structures and oversight mechanisms promote accountability across the Board and management.
  - An experienced and independent Board provides strategic direction, while overseeing risk management and business performance.
  - High standards of ethical conduct guide decision-making and business practices throughout the organization.
  - Regular training programs strengthen awareness of governance requirements, emerging regulations, and industry best practices.
  - Ongoing audits, reviews, and monitoring processes help maintain effective controls and reinforce governance standards.





# HIMATSINGKA UNLOCKED

World-class manufacturing  
assets with global scale

Global client connect



Operating future-ready  
sustainable platforms



Strong brand portfolio



Delivering Total Textile Solutions







**Leveraging technology, integration and  
scale to enhance client experience**



**Nurturing an innovation mindset**



**41 years of textile leadership  
and legacy**



**Collective strength of over  
7,000 associates**



**Looking at challenges from  
the lens of opportunity**







# Performance Highlights

# Business Highlights — FY 2026



Expanding product verticals by adding Fabric Solutions, Yarn Solutions, and Apparel Solutions.



Enhancing product innovation pipeline across product verticals.



Taking firm initiatives to reduce market concentration.



Focusing on the Indian market, to cover Home Textile Solutions and other key product verticals.



Launching Weavepro and Knitpro brands for our Yarn Solutions vertical.



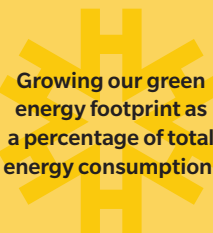
Positioning and recalibrating our manufacturing infrastructure to tap opportunities for new product verticals.



Driving cost optimization initiatives across the value chain.



Moving our environment and sustainability goals forward.



Growing our green energy footprint as a percentage of total energy consumption.



# Key Focus Areas — FY 2026



Continuing to enhance product, client and geography mix to broad base revenue streams.



Augmenting and stabilizing new product verticals—Yarn Solutions, Fabrics Solutions and Apparel Solutions.



Increasing capacity utilization across manufacturing facilities.



Enhancing domestic market presence and reducing dependence on revenue streams emanating from the USA.



Strengthening the talent quotient across verticals.



Streamlining working capital cycles.



Expanding e-commerce capabilities.



Remaining focused on de-leveraging initiatives.



Staying the course on ESG initiatives to enhance stakeholder value.









# Consolidated Financial Highlights — 5 Years

(₹ Lacs)

|                                                | 2021-22  | 2022-23  | 2023-24  | 2024-25  | 2025-26  |
|------------------------------------------------|----------|----------|----------|----------|----------|
| Share Capital                                  | 4,923    | 4,923    | 4,923    | 6,287    | 6,287    |
| Reserves                                       | 1,42,048 | 1,39,979 | 1,50,972 | 1,96,986 | 207,786  |
| Net Worth                                      | 1,46,971 | 1,44,901 | 1,55,895 | 2,03,273 | 214,074  |
| Total Gross Debt                               | 2,92,170 | 2,80,603 | 2,89,785 | 2,56,732 | 263,553  |
| Total Net Debt                                 | 2,73,565 | 2,68,324 | 2,73,272 | 2,45,121 | 257,923  |
| Gross Fixed Assets                             | 4,08,029 | 4,09,460 | 4,12,902 | 3,90,901 | 407,350  |
| Net Fixed Assets                               | 2,63,494 | 2,49,573 | 2,36,893 | 2,05,073 | 201,203  |
| Total Assets                                   | 5,64,363 | 5,53,419 | 5,79,451 | 5,65,958 | 590,084  |
| Total Revenue                                  | 3,20,357 | 2,75,276 | 2,86,258 | 2,84,327 | 272,724  |
| EBITDA                                         | 54,992   | 34,604   | 61,733   | 48,461   | 57,667   |
| Depreciation                                   | 15,842   | 16,403   | 15,810   | 15,142   | 16,421   |
| EBIT                                           | 39,150   | 18,201   | 45,923   | 33,319   | 41,246   |
| Interest and Finance Charges                   | 18,117   | 25,723   | 29,647   | 31,570   | 29,058   |
| Profit Before Tax, Before Exceptional Items    | 21,033   | -7,523   | 16,276   | 11,210   | 12,188   |
| Exceptional Items                              | -        | -        | -        | 9,461    | -        |
| Profit Before Tax                              | 21,033   | -7,523   | 16,276   | 1,749    | 12,188   |
| Profit after tax before share of associates    | 14,082   | -6,408   | 11,282   | 7,628    | 6,224    |
| Profit After Tax                               | 14,082   | -6,408   | 11,282   | 7,604    | 6,196    |
| Adjusted Profit for Diluted Earnings Per Share | 14,082   | -6,408   | 11,545   | 7,914    | 6,521    |
| No. of Equity Shares (In Lakhs)                | 984.57   | 984.57   | 984.57   | 1,257.00 | 1,257.00 |
| Weighted No. of Equity Shares (In Lakhs)       | 984.57   | 984.57   | 1,046.77 | 1,099.00 | 1,257.00 |
| Adjusted No. of Equity Shares (In Lakhs)       | 984.57   | 984.57   | 1,046.77 | 1,161.00 | 1,320.00 |
| Face Value Per Share ( ₹ )                     | 5.00     | 5.00     | 5.00     | 5.00     | 5.00     |
| Book Value Per Share ( ₹ )                     | 149.27   | 147.17   | 158.34   | 161.71   | 170.31   |
| Earnings Per Share ( ₹ )                       | 14.30    | -6.51    | 11.46    | 6.92     | 4.93     |
| Diluted Earnings Per Share ( ₹ )               | 14.30    | -6.51    | 11.03    | 6.82     | 4.93     |
| Dividend Per Share ( ₹ )                       | 0.50     | -        | 0.25     | 0.25     | 0.25     |
| Total Dividend ( ₹ Lakhs)                      | 492      | -        | 246      | 314      | 314      |



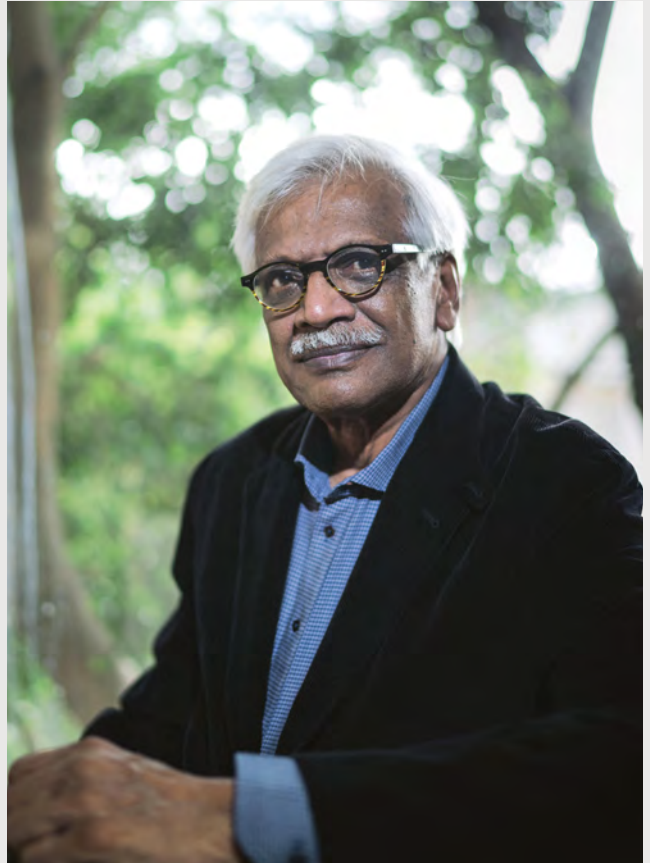


The background of the page is a dark gray field filled with a complex, abstract pattern of thin, light gray lines. These lines form a series of overlapping, nested geometric shapes, primarily triangles and rectangles, which create a sense of depth and movement. The pattern is dense and covers the entire page, with some areas appearing more concentrated than others.

# **Letter to Shareholders & Corporate Information**



**Shrikant Himatsingka**  
Executive Vice Chairman & Managing Director



**Dinesh Himatsingka**  
Executive Chairman



**Dear Shareholders,**

## **Overview**

At the outset, Fiscal 2026 has been both rewarding and challenging. While we have made progress in consolidating our operations, we also faced headwinds on several fronts. Global macroeconomic pressures and geo-political complexities, coupled with a volatile regulatory environment in the United States, impacted economic stability and recovery across most major markets.

As we reflect on the challenges and triumphs of FY 2026, it is evident that the global economic landscape continues to evolve rapidly. Despite these headwinds, Himatsingka has demonstrated resilience and adaptability. Our team's unwavering commitment, and our strong business fundamentals, have enabled us to navigate the dynamic conditions that have prevailed through the year.

The prevailing external environment and the impact it has had on our operating performance has compelled us to re-think and re-boot our business model. During 2026, we have commenced undertaking initiatives that we believe will make Himatsingka future-ready. We will be leveraging our manufacturing strength and infrastructure to on-board new product verticals that will pave the way for Himatsingka to tap new markets and opportunities, both onshore and offshore.

## Manufacturing Platforms

Himatsingka operates four manufacturing plants, across two campuses, in the State of Karnataka, India. The plants are vertically integrated, best-in-class and have capacities that are of global scale. They are equipped to produce a broad assortment of products with industry-leading efficiencies and response times, while adhering to the most stringent compliance requirements. We believe our shop floors embody next generation capabilities that will assist us in operating manufacturing platforms that harness Industry 4.0 requirements. The confluence of scale, smart, digital and flexible, will be key to manufacturing of the future.

On the manufacturing front, FY 2026 saw range-bound capacity utilizations across manufacturing facilities as they were impacted by the unstable global demand environment that prevailed through the fiscal. Going forward, we are focused on enhancing capacity utilization levels by tapping into new product verticals that will enable access to new markets and client pools. Ensuring high levels of capacity utilisation will be key to delivering optimal levels of operating performance. In addition to manufacturing products for our Home Textile Solutions vertical, Himatsingka will also produce a comprehensive suite of products to mark its entry into Yarn Solutions, Fabric Solutions and Apparel Solutions.

Our manufacturing assets are geared to cater to the requirements of these new verticals. We believe the addition of new product categories will enable us to maximize capacity utilizations and cater to a substantially broader client network on the domestic and international fronts.

## Our Private Label and Brand Platforms

Our brand and private label platforms are central to our integrated model. Our global reach and connect are enhanced by the strength of these platforms. Himatsingka is committed to expanding its client-centric product solutions portfolio, to ensure its presence is strong across consumer audiences, markets, price points and categories.

We remain focused on enhancing our strength and presence in the global private label space. Our portfolio of products is truly expansive. Himatsingka customizes products for consumers across geographies, preferences and age groups. We design, develop and manufacture an exhaustive range of products for our Home Textiles, Yarn, Fabrics and Apparel Solutions verticals. These products span diverse aesthetic signatures and price points.

Our well-established retail brand portfolio comprising Himeya, Atmosphere, Liv, Bellora, Tranquil Nights and Highland Park, among others, is positioned to continue to grow and garner market share in the jurisdictions they are present in.

Our ingredient brand portfolio comprising Pimacott®, Gizacott®, HomeGrown Cotton®, Organicott®, GRIPON and Crease Control, among others, continues to cement its position and add value to consumers globally in the traceable cotton space. Our licensed and patent-protected Track and Trace Technology for cotton products is industry-leading and helps us keep our global cotton supply chains transparent and secure.

The growing demand for home textile products in the Indian market is encouraging, and it will be our priority to position ourselves to achieve revenues of ₹1,000 crores from India for the next few years. We currently operate in India with three brands and are positioned to reach consumers across retail formats, price points and product categories. Growing our market presence in India will ensure broad-basing of revenue streams, and will pave the way for value creation, driven by our firm B2C brands.

**Himatsingka's strength in the private label space continues to gain traction as we deepen our relationship with global retail majors and their private label platforms. Our suite of over eight brands and strong private label portfolios, backed by advanced manufacturing platforms, will generate differentiated, solutions-based responses to the dynamic and ever-changing macrocosm of consumer preferences.**

## Our Operating Scorecard

Our operating performance for FY 2026 was impacted by a weak macroeconomic environment and certain recalibration initiatives undertaken by us during the fiscal. We are in the midst of repositioning our brand portfolio and have rationalized some of our licensed brands during the year. This has impacted Consolidated Revenues in FY 2026.

During the fiscal, total Consolidated Revenues stood at ₹2,727.24 crores vs ₹2,843.27 crores in FY 2025, a decrease by 4%. The Consolidated EBITDA for FY 2026 stood at ₹576.67 crores vs. ₹579.22 crores in FY 2025, a decrease of 0.4%.



## Priorities for FY 2027

We recognize that we need to sow the seeds of transformation from time to time, in order to recalibrate and reorient our operating models to better align with an increasingly volatile and dynamic economic environment. Having built the requisite platforms, we are now focused on maximizing asset and capacity utilization levels across our facilities.

Our Home Textiles Solutions, Yarn Solutions, Fabrics Solutions and Apparel Solutions verticals are powered by integrated manufacturing facilities that are amongst the largest in the world. They cater to client networks across 42 countries and are designed to comply with the requirements of multiple retail formats and channels. It is, therefore, imperative that we continue our efforts to expand and deepen our geographical presence, whilst adding new clients, in order to de-risk and broad-base global revenue streams.

Our operating performance is positively correlated with our ability to enhance capacity utilization levels across our plants, and therefore, we will be focused on achieving the same. Our focus on increasing utilization will coincide with our efforts to create new markets, clients and channels for our products. With the addition of three new product verticals—Yarn Solutions, Fabrics Solutions and Apparel Solutions—we are better positioned to augment our global client base, which will enable us to de-risk and broad-base our global revenue streams.

**Himatsingka has also been investing in creating flexible product portfolios where common infrastructure acts as an enabler for multi-product capabilities. This flexible plant design helps us stay relevant to client preferences, as they need to constantly recalibrate product assortments in a high octane consumer environment.**

Efforts to maximize operating performance must be executed with the highest levels of Environmental and Social responsibility, together with a Governance framework that enables an organization to adhere to the interest of all stakeholders. Himatsingka is committed to making ESG central to its operating philosophy and has put in place initiatives that position it to lead the ESG journey in the future.

Although our consolidated net debt has been range-bound in FY 2026, we will endeavor to reduce our debt exposure during FY 2027. In tandem with initiatives to optimize our

capital structure, we also believe that the stabilization of new product verticals will lead to capital efficiencies going forward.

As a dominant player in the global textile space, we aim to stay relevant by showcasing best-in-class innovation, industry-leading flexibility, and developing global client networks. These facets and capabilities are driven by our investments in infrastructure, technology, and intellectual capital.

**With over 7,000 associates, we continue to enrich our intellectual capital base to support our growth in line with our vision and values.**

## The Road Ahead

We believe our initiatives to build scale-oriented manufacturing and distribution platforms will position us to tap into larger opportunities that will help us in sustaining growth rates going forward. The emerging opportunities in the global textile space, both onshore and offshore are immense. India has all the ingredients to be a formidable force in the global textile ecosystem. It is equipped with a strong raw material base, ever increasing manufacturing capacities, a large work force and balanced regulatory policies that will enable it to navigate growth opportunities in the future. Himatsingka is ensuring its readiness through various initiatives outlined above, in order to be an integral part of the growth journey of the country, and the industry we operate in.

## Our Gratitude to Stakeholders

All our efforts are incomplete without the support and trust of our shareholders, employees, bankers, clients, suppliers, the Board, and other stakeholders. We would like to take this opportunity to express our sincere gratitude for their support and belief in Himatsingka.

Sincerely,

**Shrikant Himatsingka**  
Executive Vice Chairman &  
Managing Director

DIN: 00122103

**Dinesh Himatsingka**  
Executive Chairman

DIN: 00139516





# Corporate Information

## Board of Directors

**D.K. Himatsingka**

Executive Chairman

**Shrikant Himatsingka**

Executive Vice Chairman & Managing Director

**Harminder Sahni**

Non-Executive Independent Director

**Sandhya Vasudevan**

Non-Executive Independent Director

**Ravi Kumar**

Non-Executive Independent Director

**Manish Joshi**

Non-Executive Nominee Director

## Management Team

**M. Sankaranarayanan**

President — Finance & Group CFO

**Major (Retd.) Kumud Kumar**

President — Human Resources & Group CHRO

**Hemant Khandelwal**

President — Manufacturing Operations (Group)

**Gaurav Sharma**

President & Business Head — Fabric & Apparel Solutions

**Sajjad Mubarak Khan**

President & Business Head — Home Textiles Solutions

**Brian Delp**

President — Sales & Global Licensing (North America)

**Debasmita Gupta**

Senior Vice President — Legal & Group General Counsel

## Company Secretary

**Bindu D.**

AGM — Corporate Compliance & Company Secretary

## Key Bankers

HDFC Bank

Export Import Bank of India

Canara Bank

International Finance Corporation

Bank of Maharashtra

Karur Vysya Bank

SBM Bank (India) Ltd

UCO Bank

State Bank of India

Axis Structured Credit AIF - II

India Credit Opportunities Fund II

Unity Small Finance Bank

IndusInd Bank

IDBI Bank

Yes Bank

IDFC First Bank Limited

Bank of Bahrain & Kuwait

Axis Bank

## Statutory Auditors

MSKA & Associates, LLP Chartered Accountants  
(BDO Group)

## Internal Auditors

Grant Thornton Bharat LLP

## Secretarial Auditor

Vivek Manjunath Bhat, Practicing Company Secretary

## Registered Office

No.4/1-2, Crescent Road,  
Bengaluru – 560001, India  
CIN: L17112KA1985PLC006647

## Corporate Office

10/24, Kumara Krupa Road  
High Grounds  
Bengaluru – 560001, India

## Works

Doddaballapur, Karnataka  
23A KIADB Industrial Area  
India – 561203  
Karnataka, India

Plot No 1, KIADB Industrial Area  
Hassan, Karnataka – 573201, India







# **Management Discussion & Analysis**





# Management Discussion & Analysis

## GLOBAL ECONOMIC OVERVIEW

### Global growth moderates to 3.0% in 2026; India remains the fastest-growing large economy

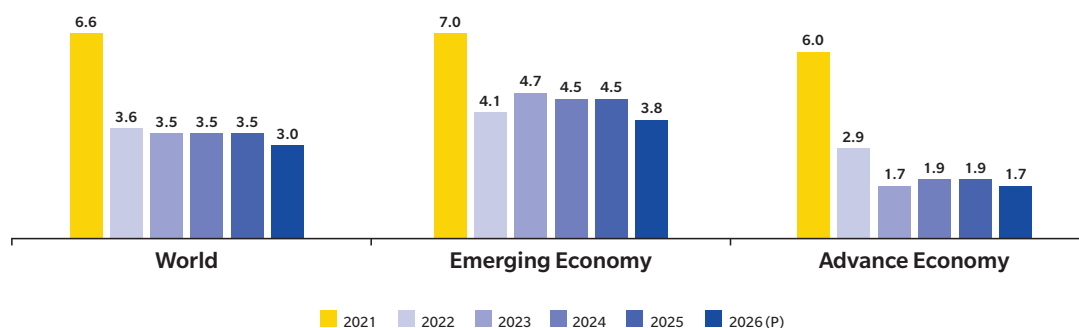
Two forces pulled the world economy in opposite directions through 2026. The war in the Middle East delivered a supply shock and renewed energy price volatility. The artificial intelligence investment cycle delivered a demand-led expansion in technology goods and services. Netting the two, the International Monetary Fund's (IMF) July 2026 World Economic Outlook Update places global growth at 3.0% in 2026, down from 3.5% in 2025.

The distribution of that growth matters more than the average. Energy importers and economies with thin fiscal buffers are absorbing most of the war shock, while economies embedded in the technology

value chain have seen forecasts upgraded. Emerging economies are projected to slow from 4.5% in 2025 to 3.8% in 2026, and advanced economies from 1.9% to 1.7%. Disinflation has stalled, with price pressures proving more persistent than expected through 2026. That keeps central banks cautious on the pace of rate cuts and delays the relief that cheaper financing would give to working capital intensive sectors such as textiles.

India is expected to lead major economies in 2026, with growth of 6.4% supported by resilient private consumption and continued strength in services activity.

Figure 1: World real GDP growth (YoY % change)



Source: International Monetary Fund  
(P): Projected



While global economic growth moderated during 2026 amid geopolitical developments and inflationary pressures, several structural growth drivers continued to support demand across markets. Increased investments in technology, easing inflationary trends in key economies, and gradual normalization of supply

chains are expected to support global economic activity over the medium term. India continues to remain among the fastest-growing major economies, reinforcing its position as an attractive manufacturing and consumption hub.

**Table 1: Real GDP growth by geographies (YoY % change)**

| Country / Region | 2021        | 2022        | 2023        | 2024        | 2025        | 2026(P)     |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| USA              | 6.1%        | 2.5%        | 2.9%        | 2.8%        | 2.1%        | 2.3%        |
| Euro Area        | 6.3%        | 3.5%        | 0.4%        | 1.0%        | 1.4%        | 0.9%        |
| UK               | 8.4%        | 4.8%        | 0.4%        | 1.0%        | 1.4%        | 1.0%        |
| Japan            | 2.7%        | 0.9%        | 1.5%        | -0.2%       | 1.1%        | 0.6%        |
| India            | 9.7%        | 7.6%        | 9.2%        | 7.1%        | 7.7%        | 6.4%        |
| China            | 8.6%        | 3.1%        | 5.4%        | 5.0%        | 5.0%        | 4.6%        |
| Indonesia        | 3.7%        | 5.3%        | 5%          | 5.0%        | 5.1%        | 5.0%        |
| <b>World</b>     | <b>6.6%</b> | <b>3.6%</b> | <b>3.5%</b> | <b>3.5%</b> | <b>3.5%</b> | <b>3.0%</b> |

Source: International Monetary Fund  
(P): Projected

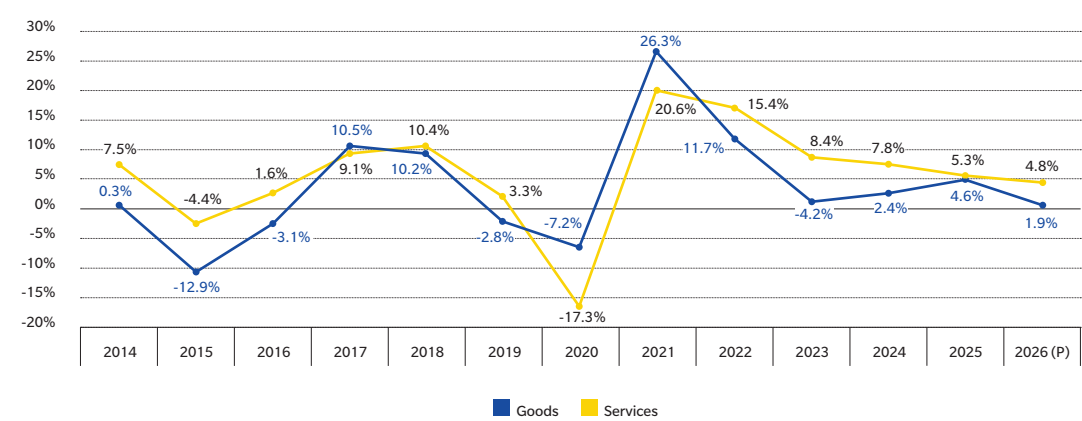
## Global goods and services trade set a record in 2025

World trade in goods and services reached a record of close to US\$ 35 trillion in 2025, up from US\$ 33 trillion in 2024. Goods trade grew 4.6%, accelerating from 2.4% the previous year, while services trade added 5.3% and reached its highest ever share of world trade. Volume rather than price drove the expansion. Beneath the headline, the composition of trade continued to shift. Nearshoring gained ground and US-China bilateral flows contracted sharply, so a record total conceals a redistribution of who trades with whom. For Indian exporters, the redistribution is the part that matters.

Goods trade growth is projected at 1.9% in 2026, with services at 4.8% continuing to outpace goods. Slower output growth, elevated tariffs, higher trade costs, the Middle East conflict and shipping constraints all weigh on the forecast. The unresolved variable remains US tariff policy, where the position changed twice within a single month in 2026 and where a further legal or political reversal would reset sourcing economics again.



Figure 2: Global trade annual change (%)



Source: WTO, UNCTAD  
(P): Projected



## INDIA ECONOMIC OVERVIEW

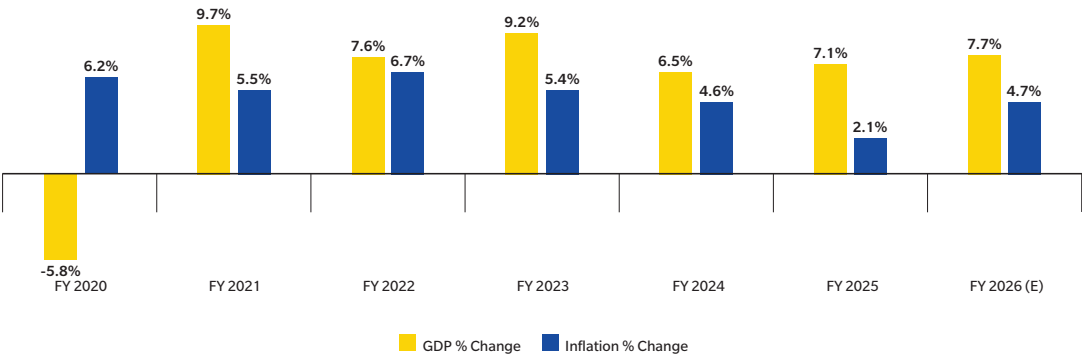
### India’s real GDP growth is estimated at 7.7% in FY 2026 and stays well ahead of every major economy

India’s real GDP is projected to grow at 7.7% in FY 2026, up from 7.1% in FY 2025 and well ahead of the 6.2% that was projected for the year twelve months ago. Inflation is the more consequential change. Consumer price inflation fell to 2.1% in FY 2025 from 4.6% in FY 2024 and is projected to return to 4.7% in FY 2026.

India’s economic outlook remains positive in the medium term. Structural drivers such as robust

domestic demand, infrastructure investment, digital transformation, manufacturing expansion through initiatives like PLI schemes, and favorable demographics are expected to underpin steady growth. While external headwinds like global trade tensions, geopolitical risks, and financial market volatility persist, India is well-positioned to achieve sustainable growth in the 6-7% range over the next few years, provided reforms continue and global conditions stabilize.

Figure 3: India’s real GDP growth and inflation trend



Source: International Monetary Fund  
(E): Estimated

India’s economic momentum continues to be supported by rising disposable incomes, urbanization, infrastructure development, digital transformation, and a growing middle class. These structural factors

are enhancing consumption across categories and creating favourable conditions for sustained growth in lifestyle and home textile segments.





## Per capita income continues to show an upward trend, though the gap with developed markets is significant

India's GDP per capita has risen from US\$ 1,916 in 2020 to an estimated US\$ 2,680 in 2025, recording a healthy CAGR of 7% over the past five years; the fastest among major economies, alongside the US and the UK. It is projected to increase further to US\$ 2,810 in 2026. Even so, India's per capita income remains far below that of other major world economies, roughly a thirty-third of the US (US\$ 89,990 in 2025), a twenty-first of the UK (US\$ 57,610) and a fifth of China (US\$ 13,970), which indicates huge potential for growth

and economic development and augurs well for future prospects. Notably, while advanced economies such as Japan have seen per capita income contract over this period (CAGR of -2%), India has combined a low base with consistent expansion, pointing to a long runway for consumption-led demand as incomes converge upwards.

**Table 2: GDP per capita, current prices (Values in US\$)**

| Country      | 2020         | 2021         | 2022         | 2023         | 2024         | 2025(E)      | 2026(P)      | CAGR (2020-25) |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| USA          | 64,454       | 71,232       | 77,801       | 82,254       | 86,170       | 89,990       | 94,430       | 7%             |
| UK           | 40,231       | 46,731       | 46,234       | 49,213       | 53,340       | 57,610       | 61,060       | 7%             |
| Canada       | 43,573       | 52,912       | 56,358       | 54,376       | 55,210       | 55,760       | 60,300       | 5%             |
| Japan        | 40,160       | 40,155       | 34,080       | 33,845       | 33,820       | 35,970       | 35,700       | -2%            |
| China        | 10,696       | 12,878       | 12,968       | 12,961       | 13,450       | 13,970       | 14,870       | 5%             |
| <b>India</b> | <b>1,916</b> | <b>2,250</b> | <b>2,361</b> | <b>2,547</b> | <b>2,590</b> | <b>2,680</b> | <b>2,810</b> | <b>7%</b>      |

Source: International Monetary Fund  
(E): Estimated; (P): Projected





## GLOBAL TEXTILE AND APPAREL (T&A) INDUSTRY SCENARIO

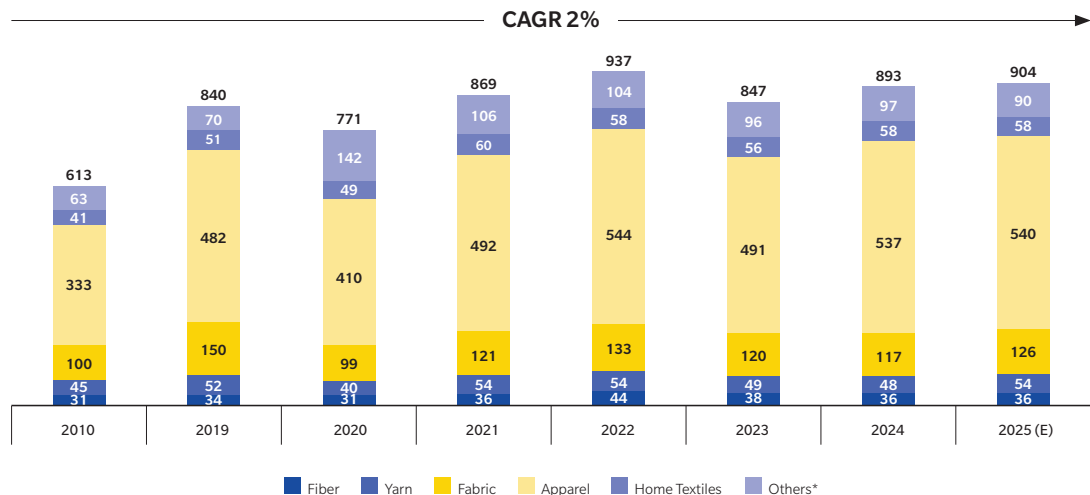
### Global T&A trade edged up to US\$ 900 billion in 2025, with growth sustained

Global Textile and Apparel (T&A) trade is estimated to increase to US\$ 904 billion in 2025 from US\$ 893 billion in 2024, registering a modest 1% year-on-year growth. While global trade has shown signs of recovery following the post-pandemic slowdown, the overall growth trajectory has remained subdued, with the market recording a CAGR of 2% during 2010–2025. The industry continues to face structural challenges, including persistent geopolitical uncertainties, inflationary pressures, evolving sourcing strategies, and weak consumer demand across key markets such as the US and Europe. Despite these headwinds, global T&A trade has demonstrated resilience, supported by gradual demand stabilization,

easing inflation, and improving inventory levels. Looking ahead, trade activity is expected to strengthen further as consumer spending recovers, retail inventories normalize, and sourcing diversification continues to reshape global supply chains.

The global sourcing landscape continues to undergo structural transformation. As brands seek diversified and resilient sourcing destinations, India has emerged as a preferred alternative due to its integrated textile ecosystem, improving competitiveness, sustainability focus and large-scale manufacturing capabilities. These trends present long-term opportunities for Indian textile and home textile exporters.

Figure 4: Global T&A trade (Values in US\$ billion)



Source: UN Comtrade & Wazir Analysis

(E): Estimated

\*Others include technical textiles and accessories

### China still accounts for a third of global T&A exports, but buyers continue to build alternate sourcing bases

In terms of exports, China remains the dominant player, with a total export value of US\$ 291 billion, accounting for 32% of global trade. While the EU ranks second with US\$ 69 billion in exports, Vietnam stands out as the third-largest exporter (US\$ 46 billion), reflecting its rising role in global sourcing, amid shifting supply chains. Bangladesh, focused almost entirely on apparel, and India, with a more balanced profile favoring textiles, follow in the rankings with US\$ 40 billion and US\$ 37 billion in total exports respectively. With global buyers looking

to de-risk their supply chains, there has been a shift in sourcing from China in recent years, and going forward, there is good opportunity for countries like India to further increase their share.

**Table 3: Top exporters of T&A (Values in US\$ billion)**

| Rank | Country/<br>Region | Exports Value (2025) |            | Total      | Total T&A<br>Export |
|------|--------------------|----------------------|------------|------------|---------------------|
|      |                    | Textile              | Apparel    |            |                     |
| 1    | China              | 145                  | 146        | 291        | 32.2%               |
| 2    | Extra EU-27*       | 29                   | 40         | 69         | 7.6%                |
| 3    | Vietnam            | 7                    | 39         | 46         | 5.1%                |
| 4    | Bangladesh         | 3                    | 37         | 40         | 4.4%                |
| 5    | India              | 21                   | 16         | 37         | 4.1%                |
| 6    | Turkey             | 14                   | 17         | 31         | 3.4%                |
| 7    | USA                | 14                   | 5          | 19         | 2.1%                |
| 8    | RoW                | 131                  | 240        | 371        | 41.0%               |
|      | <b>World</b>       | <b>364</b>           | <b>540</b> | <b>904</b> |                     |

\*Includes T&A exports to countries excluding EU-27

Source: Customs Statistics, Eurostat, GSO, EPB, DGCI&S, TUIK, OTEXA and Wazir Analysis

The ongoing diversification of global supply chains under the China+1 strategy presents a significant opportunity for India. Global buyers increasingly prefer sourcing partners capable of offering scale, quality, compliance and end-to-end supply chain

visibility. India's integrated textile value chain positions it favorably to benefit from this structural shift.









**Several other trends, below, are shaping global trade dynamics, and are expected to have an impact, in the future:**

- **Geopolitical factors influencing global trade**  
Geopolitical conflicts in Russia–Ukraine, the Middle East, India–Pakistan tensions etc. remain pressing points that will dictate the trade scenario. There is a gradual shift toward easier global monetary conditions, supported by disinflation and cautious central bank easing. This is likely to gradually lift demand, in coming quarters. However, global growth faces headwinds from sentiment, geopolitics, and fiscal constraints.
- **US tariff policy**  
The imposition of US reciprocal tariffs has created an uncertain scenario, globally. Once the exact tariffs are finalized for all the countries, it will trigger a realignment of sourcing bases, investment flows and manufacturing bases, as buyers and exporters seek to maximize the tariff advantage.
- **Regionalisation and China+ 1 sourcing**  
Buyers are diversifying away from a single-country dependence, building parallel capacity in South and Southeast Asia while also shortening supply lines through nearshoring to Mexico, Turkey and North Africa, for speed-to-market. Trade blocs and regional agreements are increasingly determining where capacity is added, and countries offering scale, duty advantage and reliable lead times, stand to gain the most from this realignment.
- **Sourcing consolidation**  
Brands and retailers are consolidating their supplier base, preferring vertically integrated partners that can provide end-to-end solutions over smaller, fragmented vendors. This enhances supply chain control and efficiency for the brands, and is expected to continue. Accordingly, manufacturers that are vertically integrated and have large-scale capacities have a competitive advantage in the sourcing landscape.
- **Raw material and logistics cost volatility**  
Cotton and man-made fiber prices, energy costs and freight rates have remained volatile, with Red Sea and other shipping disruptions lengthening transit times and raising landed costs. Sustained volatility compresses margins across the value chain and is pushing brands towards longer-term contracts, dual sourcing and greater inventory discipline.
- **Digitalization & AI integration**  
The role of digital technologies and AI in the textile sector is growing rapidly, especially in areas like demand forecasting, quality control, and inventory

management. With positive outcomes expected, these technologies will likely become central to operational efficiency and competitiveness across the industry.

- **Sustainability & traceability**  
Global brands are getting increasingly stringent with sustainability and traceability, driving major changes across the textile supply chain. Brands like Nike and H&M now demand eco-friendly materials, lower emissions, and transparent sourcing. Accordingly, suppliers need to adopt cleaner technologies, meet certification standards, and ensure supply chain traceability. While compliant suppliers will gain stronger brand partnerships, others risk being excluded.
- **Proliferation of bilateral trade agreements**  
With multilateral progress stalled, countries are pursuing bilateral and regional agreements to secure preferential access. Duty differentials created by these agreements are becoming a decisive factor in sourcing decisions, and exporters in markets that conclude agreements with the US, EU and UK are likely to see a step-change in order flows.
- **Tightening regulatory and compliance requirements**  
Beyond voluntary brand standards, importing markets are legislating supply chain obligations, including the EU's due diligence and eco-design rules, extended producer responsibility regimes for textiles, and forced-labour import restrictions in the US. Compliance is becoming a precondition for market access rather than a differentiator, favoring suppliers with documented, auditable value chains.
- **Escalation of the US-Iran conflict**  
The intensification of hostilities between the US and Iran in FY 2026 has re-priced risk across West Asia, disrupting shipping through the Strait of Hormuz and the Red Sea corridor. For textile exporters, the impact is felt less through demand, and more through freight rates, insurance premiums and delivery reliability.
- **Rising crude prices lifting polyester yarn costs**  
The conflict-driven firmness in crude oil has flowed through to petrochemical feedstocks, with PTA and MEG prices moving up and pulling polyester staple fiber and filament yarn prices with them. Since man-made fibers account for a growing share of home textile and apparel blends, the increase compresses spreads for spinners and fabric producers who cannot pass costs through in an order book priced months in advance.



## INDIAN T&A INDUSTRY OVERVIEW

### India’s T&A industry reached US\$ 194 billion in FY 2026, anchored by a US\$ 158 billion domestic market

India’s T&A industry is one of the largest in the world, playing a crucial role in the country’s economy through employment generation, domestic consumption, and exports. The Indian T&A industry size for FY 2026 is estimated at US\$ 194 billion, comprising a domestic market of US\$ 158 billion and exports worth US\$ 36 billion. The domestic market is dominated by apparel, contributing US\$ 116 billion, followed by technical textiles at US\$ 30 billion, and home textiles at US\$ 12 billion. On the export front, textiles account for the larger share at US\$ 21 billion, while apparel exports

stand at US\$ 16 billion. This structure reflects India’s strong domestic consumption, driven by a large and growing middle class, rising urbanization, and shifting fashion preferences, while the relatively lower share of exports points to significant untapped global potential. With targeted initiatives from both private industry and government to deepen the manufacturing ecosystem, India is well-positioned to enhance its competitiveness and expand both its domestic and international T&A footprint in the coming years.

Figure 5: Indian T&A market size (Values in US\$ billion)



Source: DGCIS & Wazir Analysis

### Textile output rose about 11% in FY 2026, while apparel output fell about 16%

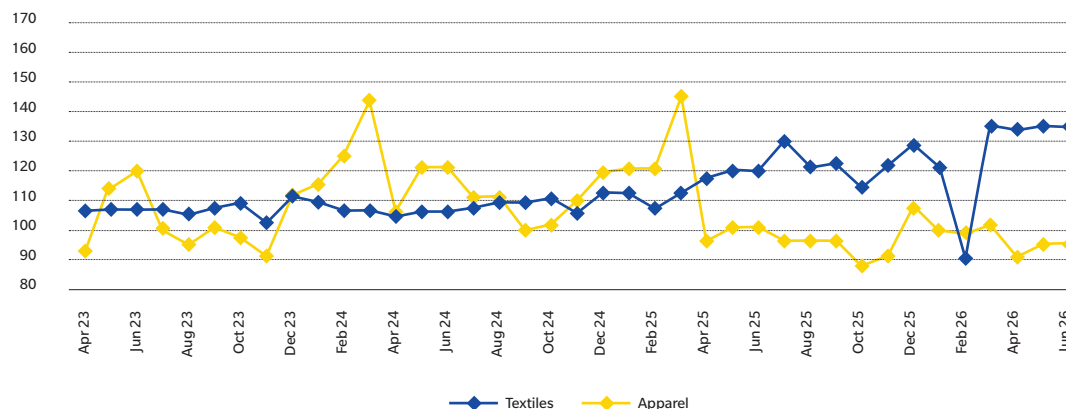
The Index of Industrial Production for the two segments moved in opposite directions during FY 2026. The textiles index averaged about 11% above FY 2025, its strongest reading in the current series, supported by spinning and fabric volumes and by the return of cotton cost competitiveness through the second half of the year. The apparel index averaged about 16% below FY 2025.

The divergence reflects end market rather than capacity. Textile output serves a mix of domestic

conversion demand and made-ups exports, both of which held up. Apparel output is more exposed to US order flow, which was deferred through the first three quarters, while tariff levels were unresolved. The pattern has continued into the first quarter of FY 2027, with the textiles index averaging about 136 against about 94 for apparel, which indicates that the recovery in garment orders lags the recovery in fabric and made-ups, rather than moving with it.



**Figure 6: Index of industrial production**



Source: Reserve Bank of India, Economic Advisor, Govt. of India

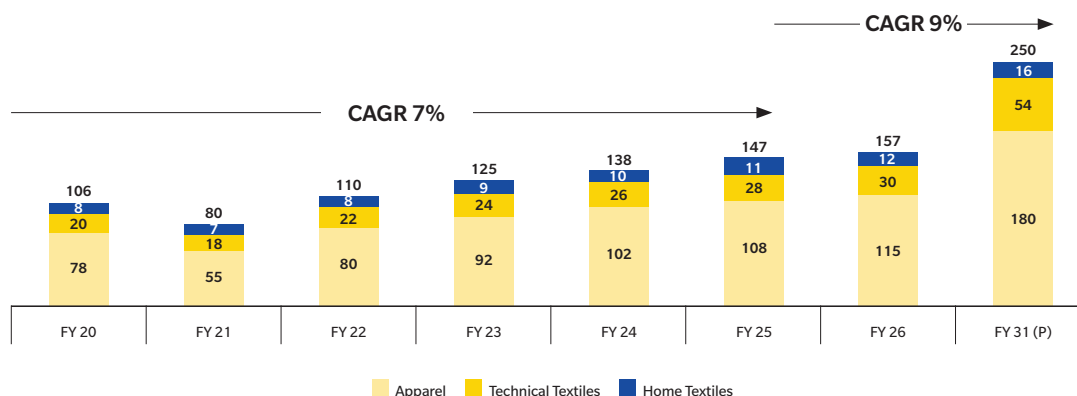
## India's domestic T&A market reached US\$ 158 billion in FY 2026 and is set to touch US\$ 250 billion by FY 2031

India's domestic T&A market has grown from US\$106 billion in FY 2020 to US\$158 billion in FY 2026, registering a CAGR of 7%. Apparel continues to dominate the domestic market, increasing from US\$ 78 billion in FY 2020 to US\$ 116 billion in FY 2026. Technical textiles and home textiles have also witnessed steady growth, reaching US\$ 30 billion and US\$12 billion, respectively, in FY 2026.

Although growth moderated in the recent period due to a subdued consumption environment, India's domestic T&A market continues to demonstrate strong long-term potential. Supported by rising

disposable incomes, urbanization, favorable demographics, and increasing consumer spending, the market is projected to reach US\$ 250 billion by FY 2031, reflecting a CAGR of 9% over FY 2026-31. Within this apparel-led market, technical textiles are expected to be the fastest-growing segment, expanding at a CAGR of 12.5% to reach US\$ 54 billion by FY 2031. Home textiles are also projected to maintain healthy growth at a CAGR of 6%, reaching US\$16 billion, while the apparel segment is expected to remain the largest contributor with a market size of US\$180 billion by FY 2031.

**Figure 7: India's Domestic T&A Market (Values in US\$ billion)**



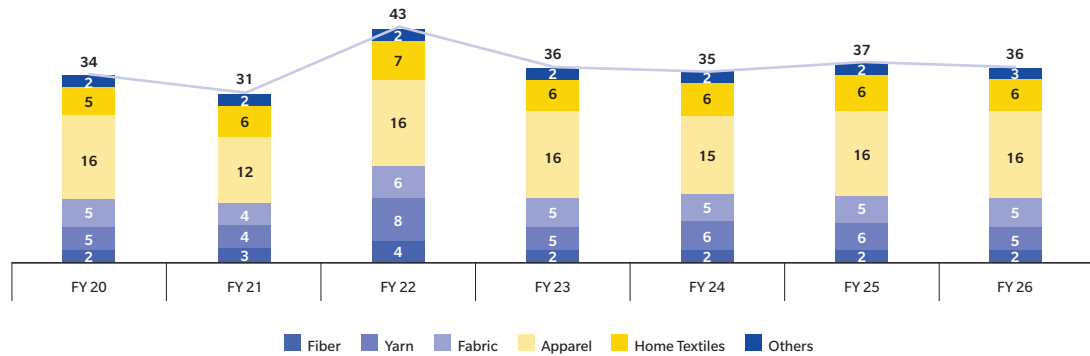
Source: Wazir Analysis  
(P): Projected

## India's T&A exports slipped 1% in FY 2026, giving back part of the previous year's gain

India's T&A exports have remained largely stagnant in recent years, increasing modestly from US\$ 34 billion in FY 2020 to US\$ 36 billion in FY 2026, reflecting a low CAGR of 1%. After the 6% growth recorded in FY 2025, exports declined marginally by 1% in FY 2026, indicating that the recovery is yet to gain durable momentum. Apparel continues to be the leading export segment, accounting for over 43% of total exports last year. Apart from home textiles and other products, most segments have seen limited change over the last six years. Looking ahead, the Free Trade Agreements (FTAs) already in force with

the UAE, Australia and the UK, together with the concluded India-EU agreement awaiting ratification, and ongoing talks with the US, are expected to lift exports meaningfully. Moreover, the China+1 sourcing strategy of global buyers, positions India as a key alternative, offering further growth potential for the country's export performance.

**Figure 8: India's T&A exports (Values in US\$ billion)**



Source: DGCIS

The US and EU are the largest markets for India's T&A sector, accounting for 29% and 20% of exports

respectively. Other significant destinations include Bangladesh, the UAE, and the UK.

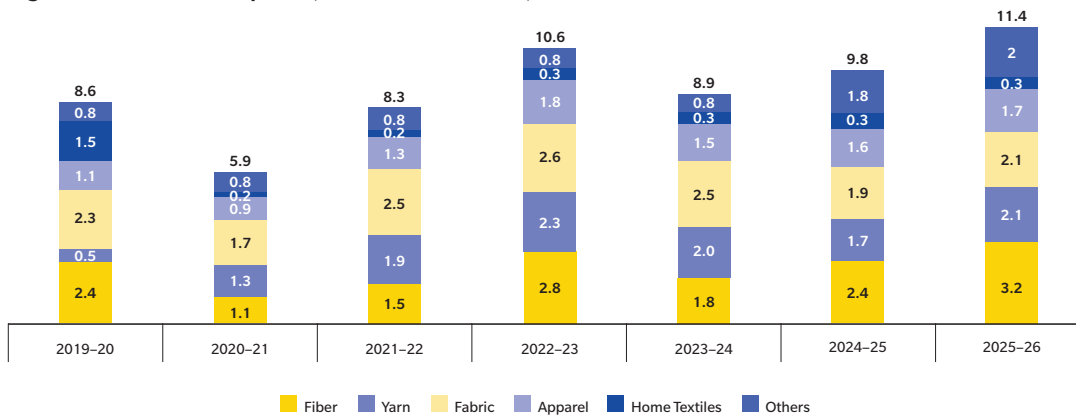


## India's T&A imports jumped 17% in FY 2026, well ahead of the six-year trend

India's T&A imports have seen a steady increase over the years. In the last fiscal year, imports grew 17%, reaching US\$ 11.4 billion, up from US\$ 9.8 billion, and comparatively higher than the last six-year CAGR of 5%. Fiber and fabric consistently remain the two largest import categories, contributing 46% in FY 2026. Yarn imports have grown to US\$ 2.1 billion in FY 2026 from US\$ 0.5 billion in FY 2020, while apparel imports saw fluctuations, standing at US\$ 1.7 billion in FY 2026 against a peak of US\$ 1.8 billion in FY 2023. Home textiles continue to represent a small and stable share of total imports, whereas other items have risen

sharply over the last two years to US\$ 2.0 billion. With increasing domestic demand and a growing textile manufacturing ecosystem, imports are expected to rise in the future. China remains the dominant import partner, contributing a substantial 37% of India's total T&A imports. Bangladesh and the EU each account for 11%, followed by the US and Vietnam at 5% each.

Figure 9: India's T&A imports (Values in US\$ billion)



Source: DGCI&S





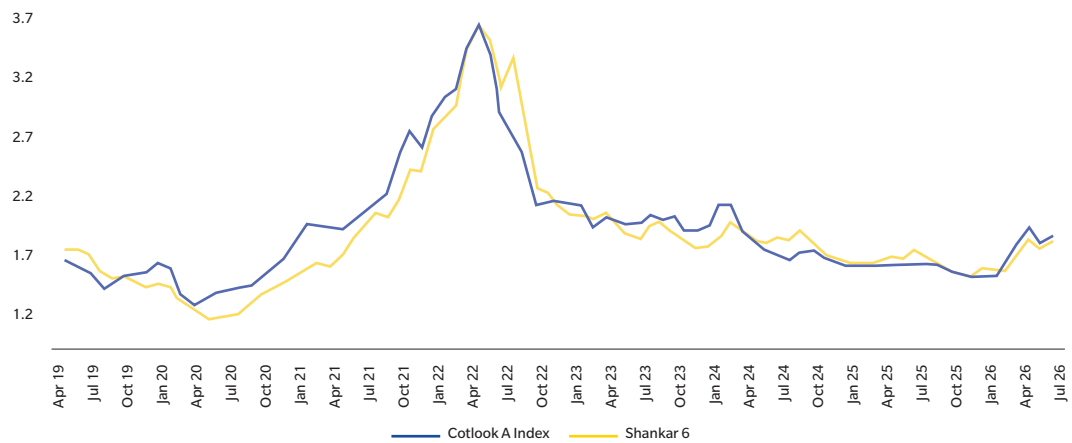
## Key trends and business factors shaping the market in FY 2026 and beyond

### Indian cotton prices have realigned with global benchmarks

India has historically been among the most competitive cotton sources, and after a period in which domestic prices ran ahead of international benchmarks, that gap has largely closed. Through FY 2025, Indian cotton (Shankar 6) traded at a premium to comparable Brazilian cotton and to the Cotlook A index, driven by the import duty on cotton, a sharp rise in the Minimum Support Price, and lower domestic yields. The position reversed over FY 2026: softer global prices, combined with the withdrawal of the 11% import duty for the August-

December 2025 and June-October 2026 windows, has brought Indian cotton back to broad parity with international benchmarks. This restores a measure of raw material cost competitiveness across the value chain and eases the margin pressure that spinners and vertically integrated players carried through the previous year. While the long-term sustainability of this advantage will depend on productivity improvements under the Cotton Mission, recent developments have strengthened the competitiveness of Indian manufacturers in global markets.

**Figure 10: Global vs Indian cotton price comparison (US\$/Kg)**



Source: Cotlook Indices

\* Cotlook A Index is a key global benchmark for upland cotton prices, based on the average of the lowest five international offers, primarily for shipment to Far East spinning mills

### Government support has been consolidated into a single INR 10,000 crore textile programme

The Union Budget for FY 2026-27 consolidated the Government's support architecture for textiles into a single Integrated Programme for the Textile Sector, with an allocation of around INR 10,000 crore. It combines five components: the National Fiber Scheme for fiber self-reliance across natural, man-made and new-age fibers; the Textile Expansion and Employment Scheme, offering capital support for machinery, technology upgradation and common testing and certification facilities; a unified National Handloom and Handicraft Programme; and the Tex-Eco initiative for sustainable manufacturing; and continued funding for skilling and cluster development. Mega Textile Parks will now be awarded through a challenge route, weighted toward technical textiles and higher value

addition. The existing framework continues in parallel, with seven PM MITRA parks under implementation against a targeted investment of around INR 70,000 crore, RoSCTL for garments and made-ups extended to 30 September 2026, and RoDTEP covering non-apparel textiles over the same window. On raw material, the Cotton Mission remains the principal lever, working on yield, fiber quality and modernization of ginning and pressing capacity to reduce reliance on periodic import duty waivers and high support prices. Collectively, these measures target the two binding constraints on India's competitiveness, raw material cost and manufacturing scale, and their commercial relevance has increased now that the India-UK CETA is operational and the India-EU FTA concluded.

### **FTAs with major markets are widening India's preferential access**

India is strengthening its position in the global trade landscape through a series of FTAs aimed at expanding market access. Agreements are already in force with the UAE, Australia, Japan, South Korea and, most recently, the UK, whose Comprehensive Economic and Trade Agreement took effect on 15 July 2026. Negotiations with the EU concluded in January 2026 and now await ratification, while talks continue with the US and New Zealand. These agreements are particularly significant for India's T&A sector, which is heavily export-driven and competes against suppliers that have long enjoyed preferential access to the EU and UK markets.

The implementation of the India-UK Comprehensive Economic and Trade Agreement and the successful conclusion of negotiations for the India-EU FTA represent important milestones for the Indian textile industry. These agreements are expected to enhance India's competitiveness, improve market access and create significant long-term export opportunities across textiles, home textiles and apparel segments.

### **US reciprocal tariffs shaped most of FY 2026 before a decisive reset in February 2026**

For the greater part of FY 2026, Indian T&A exports operated under a punitive US tariff structure that, at its peak, took the effective duty on Indian goods to nearly 50%, comprising a 25% reciprocal tariff and a 25% additional levy. The consequences were visible across the value chain: US retailers deferred order placement, shifted to shorter buying cycles, and pushed a portion of the tariff burden onto Indian suppliers, who absorbed part of the cost to protect volumes. Margins across the exporting base compressed

as a result, and India's T&A exports declined. The position reset in February 2026, when the additional levy was withdrawn and the effective duty on Indian goods was brought back into line with that applied to competing sourcing destinations. Enquiry levels and order placement began to recover through the fourth quarter, but the reset came too late in the year to reverse the decline, leaving FY 2026 export performance weighed down by the preceding three quarters.

### **The India-UK CETA and the concluded India-EU FTA open a second growth engine**

Two agreements finalized within a six-month window have altered the addressable market for Indian T&A. The India-UK Comprehensive Economic and Trade Agreement came into force on 15 July 2026, granting duty-free access across 1,143 T&A tariff lines and eliminating UK duties of up to 12%. Negotiations on the India-EU FTA concluded on 27 January 2026 after eighteen years and the agreement provides for immediate or phased elimination of the 8-12% duties currently applicable on Indian textiles, apparel and

home textiles. The commercial significance is greatest in categories where India is under-represented rather than where it already leads. India holds only about 6% of the EU's home textile import market and roughly 6% of EU cotton home textile imports, a segment where Pakistan has long benefited from preferential access. Taken together, the EU and UK represent a significant home textile pool, giving Indian suppliers meaningful headroom as duty parity is established.

### **Cotton duty relief has eased input costs and improved cost competitiveness**

The Government withdrew the 11% import duty on cotton (HS 5201), including basic customs duty and the Agriculture Infrastructure and Development Cess, for the period 1 June to 31 October 2026. This is the second such waiver within twelve months, following a similar exemption between August and December 2025 and the reinstatement of the duty on 1 January 2026. The exemption has narrowed the gap between Indian and international cotton prices and improved competitiveness against Asian peers that already enjoy

duty-free access to raw cotton. During FY 2026, Indian cotton prices moved closer to global benchmarks, improving cost competitiveness across the textile value chain and strengthening the position of Indian manufacturers in global markets.



## **Freight and logistics volatility from the West Asia conflict weighed on H2 FY 2026**

Escalation in West Asia disrupted routings through the Red Sea and the Strait of Hormuz during the second half of FY 2026, with diversions around the Cape of Good Hope lengthening Asia-Europe transit times and lifting freight, insurance and fuel costs. The impact was felt largely in bulk, lower-value-density categories such as bed linen and terry towels, where extended lead times also raised working capital intensity. Despite these temporary disruptions in global logistics networks during FY 2026, supply chains demonstrated

improving resilience. As freight markets gradually stabilize and sourcing patterns normalize, industry participants are expected to benefit from improved operational predictability and efficiency.

## **Retailer inventory caution is giving way to a normalizing buying cycle**

FY 2026 was characterized by deliberately lean retail inventories, short order horizons and low forward visibility, as buyers waited for tariff clarity before committing to programmes. By the fourth quarter, US retail price points reflecting the earlier tariff pass-through had been accepted by end consumers, and sourcing patterns began to normalize. With tariff levels now settled and preferential access under recent FTAs taking effect, the sector is positioned for a restocking cycle in FY 2027, with order books

expected to lengthen and pricing negotiations to stabilize. Recovery will not be uniform: suppliers with certified capacity, design capability and demonstrated compliance are likely to capture a disproportionate share of the first wave of replenishment orders.

## **Firmer crude prices are feeding through to polyester yarn costs**

The conflict-driven strength in crude oil has passed through the petrochemical chain, lifting PTA and MEG prices and, with them, polyester staple fiber and filament yarn. With man-made fibers accounting for a rising share of home textile and apparel blends, the increase compresses spreads for spinners and fabric producers working against order books priced several months in advance. It also narrows the cotton-polyester price differential that has underpinned the shift towards synthetics in recent seasons, and

may slow that substitution at the margin. Vertically integrated players with in-house spinning and the ability to flex fiber mix retain more room to protect margins than converters buying yarn on the open market.

## **Sustainability and traceability are becoming strategic differentiators in global sourcing**

Sustainability and traceability are increasingly becoming strategic differentiators rather than mere compliance requirements. Manufacturers that have established robust ESG frameworks, responsible sourcing practices and transparent value chains are well positioned to deepen relationships with global brands and secure long-term growth opportunities. Sourcing decisions at global retailers are increasingly gated on environmental and social performance rather than influenced by it. Traceability from farm to finished product, certified and preferred fiber programmes, verified water and energy metrics, and documented labour standards are now standard components of

vendor qualification, reinforced by tightening EU requirements on eco-design, product-level disclosure and supply-chain due diligence. For Indian suppliers this cuts both ways. Compliance carries real cost and administrative burden, but for vertically integrated players with visibility across the chain it functions as a defensive advantage, restricting the competitive set to a small group of qualified vendors. Companies that have secured top-decile global ESG rankings have converted compliance from a cost center into a commercial differentiator, and this is likely to remain a determinant of preferred-vendor status in the EU and UK as FTA-led volumes build.



### The US–Iran conflict has reintroduced geopolitical risk into sourcing calculus

The escalation in hostilities between the US and Iran through FY 2026 has re-priced risk across West Asia and reopened questions around the security of the Strait of Hormuz and the Red Sea corridor. For Indian textile exporters the consequence is largely logistical rather than demand-side: longer routings, elevated container and insurance costs, and less predictable transit times into Europe and North America. Buyers have responded by extending lead times, holding modestly higher safety stock at destination, and in some categories, splitting volumes across sourcing geographies, to limit exposure to a single trade lane. Suppliers with diversified shipping options, strong

on-time delivery records and the balance sheet to absorb working capital swings are better placed to hold share through this period.



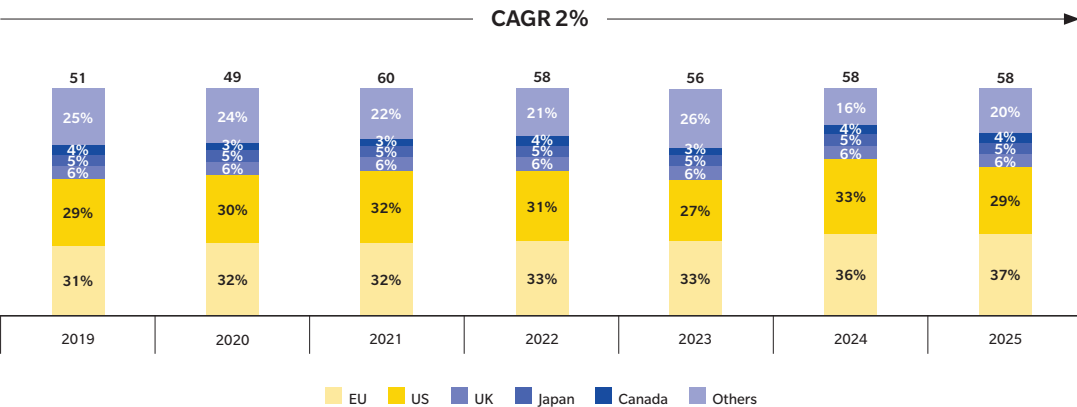
# Home Textile Market Overview

## Global home textile trade held at US\$ 58 billion, with growth broadly flat

The global home textiles trade stood at US\$ 58 billion in 2025, recording a modest CAGR of 3% over the past five years. Growth remained relatively flat compared to the previous year, indicating a period of stabilization. The European Union continues to be the largest importer in this category, followed by other major markets including the US, UK, Japan, and Canada. Beyond these markets, countries such as Mexico,

South Korea, Turkey etc. are witnessing steady growth in imports for home textile products. These markets also present a good opportunity for Indian exporters to expand their global footprint. With its strong manufacturing capabilities, diverse product range, and increasing focus on sustainability and quality, India is well-positioned to tap into these growing regions and enhance its share in the global home textiles trade.

Figure 11: Global home textiles trade (Values in US\$ billion)

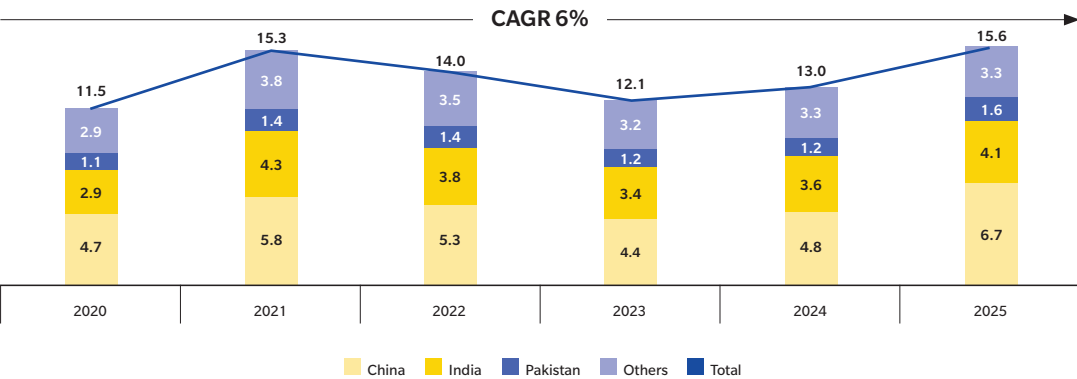


## US home textile imports jumped 20% in 2025 to US\$ 15.6 billion

Home textile imports in the US grew by 20% last year from US\$ 13.0 billion in 2024 to US\$ 15.6 billion in 2025, significantly higher than the last five-year CAGR of 6%. US imports have now surpassed the 2021 post-pandemic restocking peak, setting a fresh high in 2025. China has remained the dominant supplier, and its share has moved back up from 40% in 2020 to 43% in 2025 after several years of decline. India has held its

position, with the imports share edging up from 25% to 26% in the last five years. The import share of Pakistan edged up from 9% to 10%, while “Other” countries eased from 25% to 21%, suggesting diversification has plateaued. These shifting dynamics present a strong opportunity for India to further expand its presence in the US home textile market.

Figure 12: Top suppliers of home textiles to the US (Values in US\$ billion)

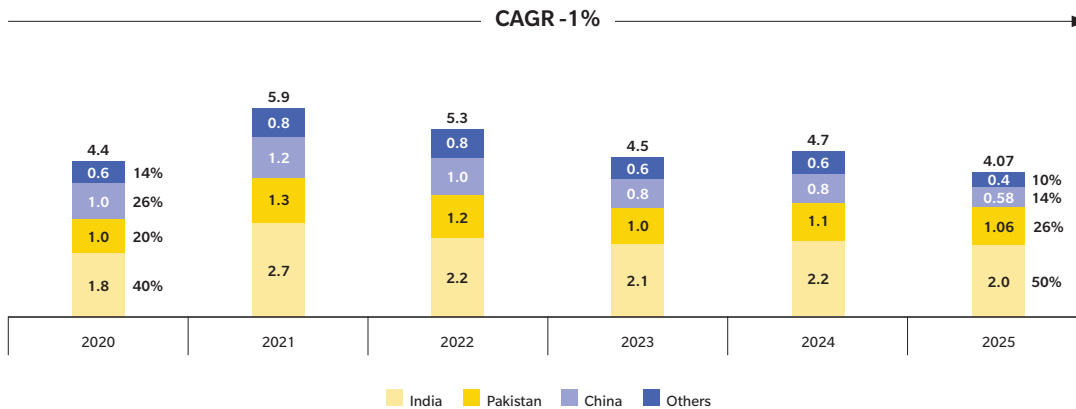


## India supplies close to half of US cotton home textile imports

While China remains the top exporter of overall home textiles to the US, India holds a leading position in cotton-based home textiles. India has a high share of

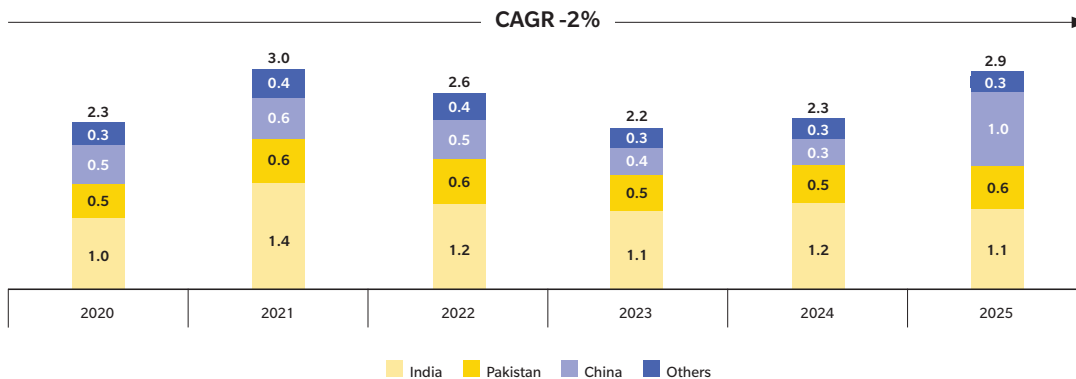
50% in cotton home textile imports by the US and holds a 38% share of US cotton bed linen imports.

**Figure 13: Top suppliers of cotton home textiles to the US (Values in US\$ billion)**



Source: OTEXA, UN Comtrade

**Figure 14: Top suppliers of cotton bed linen to the US (Values in US\$ billion)**



Source: OTEXA, UN Comtrade

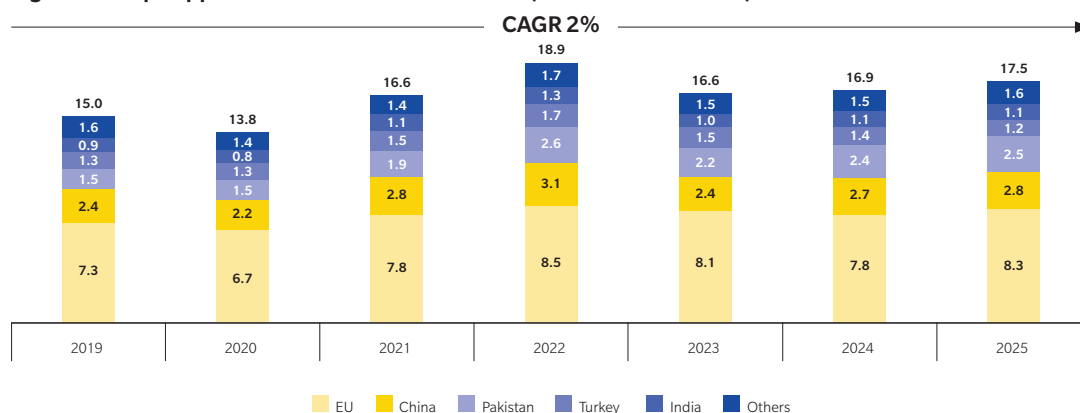


## EU home textile imports grew 4% in 2025, with India holding a 6% share

The EU's imports in the home textile category grew by 4% in 2025 compared to the previous year. China remains the EU's largest import source, with a share of 16%. India's contribution has remained stable, at around US\$ 1.1 billion in 2025 with a 6% market share,

which indicates a strong opportunity to expand further by leveraging its vertically integrated textile ecosystem, growing focus on sustainability, and improving trade relations with the EU.

**Figure 15: Top suppliers of home textiles to the EU (Values in US\$ billion)**

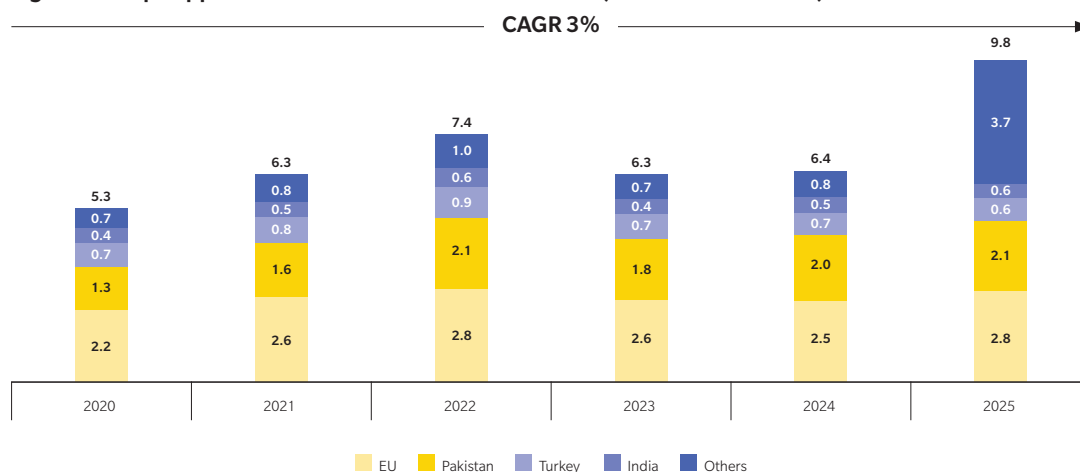


Source: Eurostat

Pakistan is the leading supplier of cotton home textiles to the EU, benefiting significantly from its free trade access. Despite having a strong cotton base, India's

share remains relatively lower at 6% in 2025, against Pakistan's 22%, and is expected to improve in the coming years.

**Figure 16: Top suppliers of cotton home textiles to the EU (Values in US\$ billion)**



Source: Eurostat

## India's home textile exports slipped 6% to US\$ 6.1 billion, with the US comprising 58% of shipments

The Indian home textiles exports stood at around US\$ 6.1 billion in FY 2026, declining by 6% compared to FY 2025, though still growing at 1% CAGR over the last five years. The US remains the dominant destination, consistently accounting for the largest share, holding

steady at around 58% between FY 2020 and FY 2026.

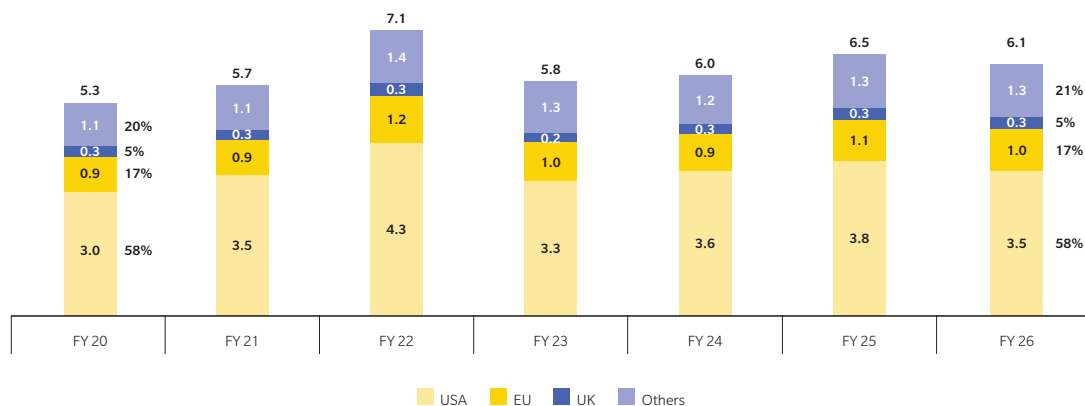
The EU, the second-largest market, held its share broadly steady at around 17% between FY 2020 and FY 2026, though it remains a critical export destination.

With the India-EU FTA pending ratification, there is significant potential for India to boost its home textile exports to the EU market. Other markets like the UK (4–5%), Australia (2–3%), and Canada (3%) have maintained relatively stable shares over the years.

India continues to maintain a strong position in global home textiles, ranking as the second-largest exporter

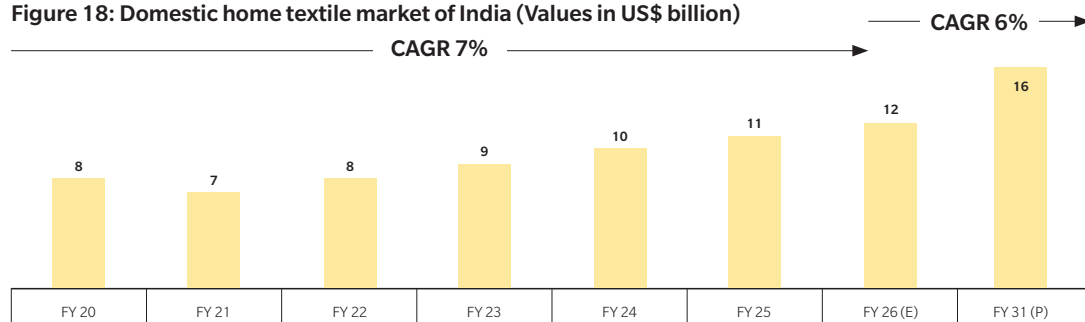
globally with a share of around 11% of global home textile exports, and enjoys significant market leadership in cotton-based products in key export markets. The combination of favorable trade agreements, increasing buyer diversification, sustainability-led sourcing preferences and India's strong manufacturing capabilities provide a compelling growth runway for the sector.

**Figure 17: Top export markets of India in home textiles (Values in US\$ billion)**



## India's domestic market for home textiles has high potential

**Figure 18: Domestic home textile market of India (Values in US\$ billion)**



India's domestic home textile market is expanding at a significantly faster pace than the global average. Over the past five years, it has grown at a CAGR of 7%, reaching an estimated US\$ 12 billion in FY 2026 and is projected to continue the growth momentum and reach US\$ 16 billion by FY 2030. The growth of the domestic market is largely driven by rising disposable incomes, urbanization, and the growth of the housing sector. Consumers are increasingly prioritizing home aesthetics, comfort, and hygiene, particularly after the pandemic, leading to higher demand for premium and branded home textile products such as bedding, towels, and curtains. The expansion of organized retail, e-commerce, and omni-channel strategies

has further improved accessibility across Tier 2 and 3 cities. Additionally, the recovery in the hospitality and institutional sectors is supporting demand for products like bed linen and towels. Growing awareness around health, hygiene, and sustainability is also fuelling demand for high value, differentiated offerings. Consumers are shifting from unbranded to trusted brands, seeking better quality, design, and durability. Moreover, the increasing trend of viewing the home as a lifestyle statement, influenced by social media and interior design trends, is encouraging more investment in home textiles. Overall, these factors position India's domestic home textile market for sustained growth in the coming years.







## KEY GROWTH DRIVERS FOR THE HOME TEXTILE SEGMENT

India enters FY 2027 with a stronger set of structural advantages in home textiles than at any point in the last five years. The FY 2026 export decline was largely a function of tariff uncertainty and freight volatility rather

than any loss of competitiveness, and most of those headwinds have since reversed. The drivers below are expected to shape the segment's trajectory over the medium term.

- **Rising urbanization & housing growth**  
Rising urbanization and new housing developments are boosting demand for essential home textiles.
- **FTA-led export opportunities**  
The India–UK CETA and India–EU FTA improve price competitiveness by eliminating tariffs, creating significant export growth potential.
- **Disposable income & lifestyle upgrades**  
Higher incomes and aspirational lifestyles are driving spending on premium and decorative textiles.
- **Hospitality & real estate expansion**  
Growth in hotels and luxury real estate is fuelling institutional demand for high-quality home textiles.
- **Growing e-commerce & omni-channel retail**  
Online platforms are expanding access to diverse, affordable, and customizable home textile products.
- **Sustainability trends**  
Eco-conscious consumers are increasingly choosing sustainable and certified home textile options.
- **Lifestyle & interior focus**  
Home textiles are now lifestyle products, driven by demand for comfort, personalization, and aesthetics.
- **Government policy support**  
Consolidated textile schemes, PLI incentives, and textile parks are encouraging fresh investments and capacity expansion.

The outlook for the textile and home textile industry remains encouraging. The convergence of multiple structural drivers including global supply chain diversification, favorable trade agreements, improving domestic consumption, growing sustainability awareness and India's strengthening manufacturing ecosystem creates a supportive environment for long-term growth. While near-term uncertainties related to geopolitical developments and global demand

conditions may persist, India's competitive positioning and expanding market opportunities are expected to support sustained growth across both domestic and export markets. The home textile segment remains well placed to benefit from premiumization trends, increasing consumer spending, growing housing demand and stronger market access through recently concluded trade agreements.



# Our Risks and Opportunities

Himatsingka Seide Limited (“HSL/The Company”) believes in value protection and enhancement through Risk Management strategy. HSL has a structured process and a balanced approach of identifying potential risks to the organization. The Company has a defined strategy for eliminating or mitigating the

risks, as well as the mechanisms to effectively monitor and evaluate organisational risks. The assessment of Enterprise Risk Management is carried out periodically with a view to identify any new risks due to changes in business model, external environment, government regulations etc.

| Risk Factors                             | Risk                                                                                                                        | Opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Client &amp; Market Concentration</b> | Concentration of revenue streams from a few large clients and markets.                                                      | <p>HSL is constantly diversifying its market presence and broad basing its global client base in order to de-risk revenue streams. Currently North America is the largest market for HSL.</p> <p>Diversification in business by exploring new markets such as Japan, UK, Europe, Australia and New Zealand.</p> <ul style="list-style-type: none"> <li>HSL operates in the Indian market with 3 brands – Himeya, Atmosphere and Liv. The 3 brands cover a broad cross section of home textile products and are positioned to service consumers across price points. We remain optimistic on the prospects of growth in the Indian market going forward.</li> <li>HSL envisages emerging opportunities on account of the recently signed Free Trade Agreement (FTA) between India and the UK. However, we estimate potential benefits arising from the FTA to come through only after it comes into effect.</li> <li>With regard to the recent tariffs imposed by the United States, in the short term we expect a slight impact on the Revenues &amp; Operating Margins. However, the tariffs can also unleash potential opportunities given the differential tariff rates that have been imposed on India and China.</li> </ul> <p>HSL continues to explore the e-commerce business and is expecting it to progress significantly in future.</p> |
| <b>Changing Market Dynamics</b>          | Potential impact on revenues streams from constantly changing consumer preferences, purchasing patterns and market trends.  | <p>HSL is equipped to manufacture a comprehensive suite of home textile products that cater to clients and consumers across income groups, price points and aesthetic signatures. This diversified product portfolio aids us in mitigating risks that come along with ever changing market dynamics.</p> <p>HSL has moved into a couple of interesting product adjacencies, such as Kitchen Towels and Cleaning Solutions, within the Terry segment.</p> <p>HSL manufactures and distributes bed-linen and towels with anti microbial / anti bacterial finishes, in alignment with customer needs.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Pricing Stability</b>                 | Impact on revenue streams and profitability emanating from pricing risks of both finished products and raw material inputs. | In the home textile industry, pricing of products is significantly influenced by raw material prices. A diversified market presence, client base and product portfolio enhances the company’s pricing power, relative to and within industry norms and limitations. HSL’s core strategy of broad basing its revenue streams vis-a-vis clients, markets and products helps in mitigating pricing risk.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |



| Risk Factors                            | Risk                                                                                                                                                                                                              | Opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Raw Materials</b>                    | Dependence on certain types of raw materials and their potential impact on supply chain stability and profitability.                                                                                              | HSL operates on prudent and well-balanced sourcing frameworks that reduce raw material risks vis-a-vis their availability and consistent supply that are essential to keep its global supply chain, aligned and stable.                                                                                                                                                                                                                                                                                                                                             |
| <b>Regulatory</b>                       | Non-compliance to country-specific statutory requirements and regulations that may potentially impact business continuity and/or profitability.                                                                   | The Company has in place comprehensive frameworks, processes, policies and systems to monitor its adherence and compliance to all applicable regulations and requirements in the jurisdictions.                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Environment, Health &amp; Safety</b> | Accidents involving significant injuries, loss of life, damage to equipment, facilities and the environment. The potential impact of the circumstances on business continuity and global standing of The Company. | HSL operates state-of-the-art manufacturing facilities that are equipped with advanced technology platforms and robust frameworks that help in ensuring best-in-class capabilities in maintaining safety standards across the value chain the Company operates in. In addition, the Company has the following certifications that strengthen its safety and compliance capabilities: the manufacturing locations are certified for requirements under Fairtrade, ISO 14001 (environment management system) and OHSAS 18001 (Occupational Health and Safety System). |
| <b>Liquidity &amp; Credit Risk</b>      | Inadequate short-term and long-term liquidity and its potential impact on meeting both short-term and long-term financial obligations.                                                                            | HSL maintains adequate working capital limits and other lines of credit that are commensurate with its size of business and are adequate to meet its short-term and long-term financial obligations.                                                                                                                                                                                                                                                                                                                                                                |





## **INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

The Company's internal control systems to mitigate material business risks ensure proper safeguarding of assets, maintaining proper accounting records and reliable financial information, and are designed to provide reasonable assurance that all material mis-statements, frauds or violations of laws and regulations will be prevented.

### **Independent External Assurance**

An external independent firm carries out the internal audit of The Company's operations and reports its findings to the Audit Committee on a regular basis.

### **Internal Assurance**

The Internal Audit also evaluates the functioning and quality of internal controls and provides assurance of its adequacy and effectiveness through periodic reporting.

### **Governance Structures and Policies**

The combination of policies and processes cover and mitigate the various risks associated with the Company's business. The Company periodically reviews the effectiveness of the risk management framework and addresses the emerging challenges that arise in a dynamic business environment.

## **HUMAN RESOURCES**

The Human Resources function catalyzes organizational transformation by embedding progressive people and practices, and fosters a technology-enabled, engaged work environment. We emphasize continuous development and growth, enabling The Company to attract, integrate, develop and retain the talent essential for sustaining long-term business success.

### **Learning & Development**

A values-driven, competency-based framework to attract and retain top talent, fosters a collaborative, transparent and high-performance culture. Continuous capability enhancement fosters a collaborative, transparent and participative work culture, with rewards linked to merit and sustained performance. Key focus is placed on Environment, Health & Safety (EHS) through specialized training programmes and awareness initiatives, enabling employees to adopt safe work practices, comply with regulations and contribute to a sustainable workplace.

### **Diversity & Talent Quality**

The Company employs more than 6,232 employees across diverse business functions. We are committed to building an inclusive workforce that embraces individuality while cultivating shared values and behaviors. We actively promote gender, age and regional diversity through targeted workshops and sensitization initiatives, fostering a workplace that is equitable, respectful and innovative.

### **Human Resource Transformation**

Our Human Resource systems have evolved to align with the digital global environment. Technology integration enables an agile, high-quality work experience. Innovation is encouraged through a dedicated platform where employees can easily submit ideas that contribute to The Company's growth, fostering a culture of recognition, engagement and ensuring every voice is heard.

# Analysis of Consolidated Financials

## CONSOLIDATED INCOME STATEMENT SUMMARY — FY 2026

(₹ Lacs)

| Particulars                                        | Consolidated  |               |                |
|----------------------------------------------------|---------------|---------------|----------------|
|                                                    | 2025-26       | 2024-25       | FY 26 Change % |
| Revenue from Operations                            | 251,509       | 277,820       | -9.5%          |
| Other Income                                       | 21,215        | 6,507         | 226.0%         |
| Total Revenue                                      | 272,724       | 284,327       | -4.1%          |
| Cost of materials consumed                         | 138,123       | 139,644       | -1.1%          |
| As a % of Revenue                                  | 54.92%        | 50.26%        | 9.3%           |
| Employee benefit expenses                          | 26,774        | 26,928        | -0.6%          |
| Other expenses                                     | 50,159        | 59,834        | -16.2%         |
| <b>EBITDA</b>                                      | <b>57,667</b> | <b>57,922</b> | <b>-0.4%</b>   |
| Depreciation                                       | 16,421        | 15,142        | 8.4%           |
| <b>EBIT</b>                                        | <b>41,246</b> | <b>42,780</b> | <b>-3.6%</b>   |
| Interest and finance cost                          | 29,058        | 31,570        | -8.0%          |
| <b>Profit before exceptional items and tax</b>     | <b>12,188</b> | <b>11,210</b> | <b>8.7%</b>    |
| Exceptional items                                  | -             | -9,461        | 100.0%         |
| <b>Profit before tax</b>                           | <b>12,188</b> | <b>1,749</b>  | <b>596.9%</b>  |
| <b>Profit after tax before share of associates</b> | <b>6,224</b>  | <b>7,628</b>  | <b>-18.4%</b>  |
| Share of loss of associates                        | -27           | -24           | 14.8%          |
| <b>Profit for the year</b>                         | <b>6,196</b>  | <b>7,604</b>  | <b>-18.5%</b>  |

### Revenue Analysis

- Consolidated Total Revenue for the year registered a decline of 4.1% to ₹ 2,72,724 Lacs. The decline was primarily attributable to the overhang of US tariffs and the resulting impact on demand and revenue streams from the US markets.
- FY 2026 financial performance remained range bound amid evolving US tariff policies, geopolitical uncertainties and challenging demand conditions across certain key markets. During the year, the Group continued to recalibrate its strategy in line with emerging global market dynamics, with a strategic focus on strengthening its Non-US market presence and India portfolio.
- The Group remains focused on enhancing capacity utilization and expanding its market share across key regions and channels. The Group continues to leverage its integrated manufacturing infrastructure to support existing and new product verticals and pursue long-term growth opportunities across domestic and global markets.

### Expenditure Analysis

- Cost of Materials Consumed stood at ₹ 1,38,123 Lacs during the year. As a percentage of revenue from operations, material costs increased from 50.26% to 54.92%, primarily driven by inflationary pressures.
- Employee Benefit Expenses amounted to ₹ 26,774 Lacs as compared to ₹ 26,928 Lacs in the previous year. As a percentage of total revenue, employee costs reduced to 9.47% in FY 2026 from 10.75% in FY 2025.
- Total Operating Expenses stood at ₹ 2,15,056 Lacs in FY 2026 as against ₹ 2,26,406 Lacs in FY 2025.
- Interest and Finance Charges decreased by 8.0%, from ₹ 31,570 Lacs in FY 2025 to ₹ 29,058 Lacs in FY 2026, reflecting a reduction of ₹ 2,512 Lacs during the year. The decrease was mainly due to lower utilisation of working capital limits during the year, resulting in lower borrowing costs.

### Profitability Analysis

- Consolidated EBITDA declined marginally by 0.4%, standing at ₹ 57,667 Lacs in FY 2026 as against ₹ 57,922 Lacs in FY 2025. However, the EBITDA margin improved to 22.93% in FY 2026 from 20.85% in the previous year, primarily supported by the favourable impact of rupee depreciation.
- Consolidated EBIT decreased by 3.6%, amount to ₹ 41,246 Lacs in FY 2026 compared to ₹ 42,780 Lacs in FY 2025.
- Consolidated Profit After Tax (PAT) stood at ₹ 6,196 Lacs in FY 2026 as against ₹ 7,604 Lacs in FY 2025.







## CONSOLIDATED BALANCE SHEET

The analysis of our consolidated Balance Sheet as at 31 March 2026 is as below

(₹ Lacs)

| Particulars                                         | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------------------------|---------------------|---------------------|
| Property, Plant and Equipment *                     | 203,391             | 216,797             |
| Goodwill                                            | 50,453              | 45,124              |
| Other Financial Assets                              | 63,613              | 53,543              |
| Deferred Tax Assets (Net)                           | 2,176               | 1,809               |
| Non-Current Income Tax Assets (Net)                 | 1,514               | 1,514               |
| Other Current and Non-Current Assets                | 19,493              | 26,109              |
| Inventories                                         | 122,372             | 100,750             |
| Trade Receivables                                   | 119,169             | 108,669             |
| Cash and Cash Equivalents^                          | 7,903               | 11,643              |
| <b>Total Assets</b>                                 | <b>590,084</b>      | <b>565,958</b>      |
| Equity Share Capital                                | 6,287               | 6,287               |
| Other Equity                                        | 207,786             | 196,986             |
| Total Borrowings                                    | 261,928             | 253,914             |
| Current And Non-Current Provisions                  | 3,925               | 3,163               |
| Deferred Tax Liabilities, (Net)                     | 4,763               | 2,243               |
| Current And Non-Current Other Liabilities           | 6,112               | 7,075               |
| Trade Payables                                      | 84,821              | 84,930              |
| Other Current and Non-Current Financial Liabilities | 10,796              | 8,881               |
| Current Income Tax Liabilities, (Net)               | 3,666               | 2,478               |
| <b>Total Liabilities</b>                            | <b>590,084</b>      | <b>565,958</b>      |

\*Includes CWIP, other intangible assets, right of use assets and assets held for sale

^Includes Current Investments

### Analysis of Assets

- The Group's asset base increased by ₹ 24,126 Lacs, with Total Assets standing at ₹ 5,90,084 Lacs as at 31 March 2026 compared to ₹ 5,65,958 Lacs as at 31 March 2025. The increase in Total Assets primarily reflects foreign currency translation effects due to the depreciation of the rupee.

### Analysis of Equity and Liabilities

- Consolidated Net Worth increased from ₹ 2,03,273 Lacs in FY 2025 to ₹ 2,14,074 Lacs in FY 2026 mainly due to profits registered during the year.
- Total Borrowings increased from ₹ 2,53,914 Lacs in FY 2025 to ₹ 2,61,928 Lacs in FY 2026 due to additional borrowing during the year.
- Trade Payables stood at ₹ 84,821 Lacs in FY 2026 compared to ₹ 84,930 Lacs in FY 2025.

## KEY CONSOLIDATED FINANCIALS & RATIOS

(₹ Lacs)

| Particulars                       | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------|---------------------|---------------------|
| Total Income                      | 272,724             | 284,327             |
| <b>EBITDA</b>                     | <b>57,667</b>       | <b>57,922</b>       |
| <b>EBIT</b>                       | <b>41,246</b>       | <b>42,780</b>       |
| Net Profit after Tax              | 6,196               | 7,604               |
| Net Worth                         | 214,074             | 203,273             |
| Net Debt                          | 257,923             | 245,085             |
| Net Profit Margin                 | 2.3%                | 2.7%                |
| Operating Profit Margin           | 21.1%               | 20.4%               |
| <b>Leverage ratios</b>            |                     |                     |
| Net Debt/Equity (Times)           | 1.20                | 1.21                |
| Interest Coverage Ratio (Times)   | 1.42                | 1.36                |
| <b>Capital Efficiency Ratios</b>  |                     |                     |
| Return on Equity (ROE)            | 3.0%                | 4.2%                |
| Return on Capital Employed (ROCE) | 8.8%                | 9.4%                |
| <b>Working Capital Ratios</b>     |                     |                     |
| Current ratio (in times)          | 1.40                | 1.39                |
| Inventory Days                    | 295                 | 260                 |
| Receivable Days                   | 178                 | 142                 |
| Payable Days                      | 165                 | 155                 |

## DISCLOSURE OF ACCOUNTING TREATMENT

The financial statements of The Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, read with Section 133 of the Companies Act, 2013.







The background of the page is a complex, abstract geometric pattern. It consists of numerous overlapping, nested, and intersecting lines and shapes, creating a sense of depth and movement. The pattern is composed of various geometric forms, including rectangles, triangles, and polygons, which are arranged in a way that suggests a three-dimensional structure. The overall color scheme is a range of greys, from light to dark, which adds to the visual complexity of the design.

# **Statutory Reports**





# BOARD'S REPORT

Dear Shareholders,

We are pleased to present the Forty-first (41st) Annual Report on the business and operations of Himatsingka Seide Limited (Company), along with Audited Financial Statements and the Auditor's Report for the financial year ended March 31, 2026.

## 1. FINANCIAL HIGHLIGHTS

The financial highlights for the year under review are given below:

| Particulars                                      | Standalone |          |          | Consolidated |          |          |
|--------------------------------------------------|------------|----------|----------|--------------|----------|----------|
|                                                  | 2025-26    | 2024-25  | Change % | 2025-26      | 2024-25  | Change % |
| <b>Revenue from Operations</b>                   | 1,88,240   | 2,22,049 | (15%)    | 2,51,509     | 2,77,820 | (9%)     |
| <b>Other Income</b>                              | 19,543     | 4,727    | 313%     | 21,215       | 6,507    | 226%     |
| <b>Total Revenue</b>                             | 2,07,783   | 2,26,776 | (8%)     | 2,72,724     | 2,84,327 | (4%)     |
| <b>EBITDA</b>                                    | 49,788     | 46,917   | 6%       | 57,667       | 57,922   | (0.4%)   |
| <b>EBITDA Margin (%)</b>                         | 26%        | 21%      | 24%      | 23%          | 21%      | 10%      |
| <b>EBIT</b>                                      | 38,164     | 35,341   | 8%       | 41,246       | 42,780   | (4%)     |
| <b>Profit before exceptional items and tax</b>   | 11,873     | 8,510    | 40%      | 12,188       | 11,210   | 9%       |
| <b>Exceptional items</b>                         | –          | –        | –        | –            | (9,461)  | 100%     |
| <b>Profit before tax</b>                         | 11,873     | 8,510    | 40%      | 12,188       | 1,749    | 597%     |
| <b>Tax Expense</b>                               | 5,860      | (6,158)  | 195%     | 5,964        | (5,879)  | 201%     |
| <b>Profit after tax</b>                          | 6,013      | 14,669   | (59%)    | 6,224        | 7,628    | (18%)    |
| <b>Profit after tax after share of associate</b> | 6,013      | 14,669   | (59%)    | 6,196        | 7,604    | (19%)    |

Key highlights of FY26 are as follows:

- The Standalone Total Revenue decreased by 8% and stood at ₹ 2,07,783 Lacs. The Standalone EBITDA for FY26 increased by 6% and stood at ₹ 49,788 Lacs vs ₹ 46,917 Lacs during FY25.
- The Consolidated Total Revenue decreased by 4% and stood at ₹ 2,72,724 Lacs. The Consolidated EBITDA for FY26 decreased by 0.4% and stood at ₹ 57,667 Lacs vs ₹ 57,922 Lacs during FY25.

## 2. BUSINESS HIGHLIGHTS

- The Company has added new product verticals by leveraging the existing infrastructure. This will accelerate utilisation levels, diversify revenue streams and tap opportunities in the wake of new global regulatory frameworks.
- The Indian market continues to be a high priority market for us and the Company currently serves the market with 3 brands (i.e.,) Himeya, LIV, and Atmosphere in addition to Private Label market requirements. These brands are strategically positioned to serve consumers across diverse price points, ensuring comprehensive market coverage. Our India business continues to demonstrate consistent year-on-year growth in revenue streams, reinforcing the strength of our domestic presence and brand portfolio, while we:
  - ★ Continue to expand presence and reach in the multi brand outlets (MBOs) channel
  - ★ Continue to expand presence and reach in the Large Format Stores
  - ★ Enhance penetration in E-Commerce and Quick Commerce Channels
  - ★ Broad-base our presence across Private Label Clients.
- Over the past year, evolving U.S. tariff policies and geopolitical uncertainties have continued to impact growth across key markets. Despite these external headwinds, the Company remains cautiously optimistic to effectively navigate the evolving environment and deliver sustainable long-term performance as the Company transitions into the new model with a more diversified revenue mix and category mix.
- The progress on the India–EU, India–UK and other FTAs along with the normalisation of US Tariff structures is expected to enhance India's standing as a preferred textile destination for sourcing for various Textile and Apparel products and should be an impetus to consolidate and strengthen the market share in these regions in the medium term.

### 3. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business carried out by the Company during the period under review.

### 4. SHARE CAPITAL

During the year under review, the Company has not issued and/or allotted any equity shares with/ without differential voting rights as per section 43 of Companies Act, 2013 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014.

The Authorized Share Capital of the Company was increased during the year from ₹ 75,00,00,000 (Rupees Seventy-Five Crores Only) divided into 15,00,00,000 (Fifteen Crores) Equity Shares with a face value of ₹ 5 (Rupees Five) each to ₹ 1,10,00,00,000 (Rupees One Hundred Ten Crores Only) divided into 22,00,00,000 (Twenty-Two Crores) Equity Shares with a face value of ₹ 5 (Rupees Five) each. The creation of 7,00,00,000 (Seven Crore) Equity shares with a face value of ₹ 5 (Rupees Five) each rank pari passu in all respects with the existing Equity Shares of the Company.

The Paid-up share Capital of the Company is ₹ 62,87,11,445 (Rupees Sixty-Two Crores Eighty-Seven Lakhs Eleven Thousand Four Hundred and Forty-Five Only) divided into 12,57,42,289 (Twelve Crores Fifty-Seven Lakhs Forty-Two Thousand Two Hundred and Eighty-Nine) Equity Shares of ₹ 5 (Rupees Five) each. There has been no change in the paid-up share capital during the year.

### 5. ISSUE OF SECURITIES

In accordance with the Sections 42 and 71 of the Companies Act, 2013, as amended, including the rules made thereunder, the Securities Committee of the Board of Directors, pursuant to powers delegated, approved the following issuances and allotments of non-convertible debentures by way of private placement:

- May 06, 2025: issued and allotted 650 (Six Hundred and Fifty) Series "A" un-rated, unlisted, senior, secured, redeemable non-convertible debentures ("Series "A" NCDs"/ "Series "A" Debentures") denominated in Indian Rupees ("Rs.") each having a face value of Rs. 10,00,000/- (Rupees Ten Lakh only) at par, aggregating to Rs. 65,00,00,000/- (Rupees Sixty-Five Crores only)
- December 19, 2025: issued and allotted 1,000 (One Thousand) Series "B" unlisted, senior, secured, redeemable transferable non-convertible debentures ("Series "B" NCDs"/ "Series "B" Debentures") denominated in Indian Rupees ("Rs.") each having a face value of Rs. 10,00,000/- (Rupees Ten Lakh only) at par, aggregating to Rs. 100,00,00,000/- (Rupees One Hundred Crores only)

Statement of Deviation(s) and Variation(s): During the year under review, there is no deviation/ variation in the use of Qualified Institutional Placement proceeds. The Company has made necessary disclosures to the Stock Exchanges within statutory timelines, as per the provisions of Listing Regulations and any other Rules & Regulations as may be applicable and confirmed that there is no deviation/ variation in the use of issue proceeds.

On the recommendation of the Audit Committee, the Board of Directors extended upto the second quarter of FY 2026, the timeline for utilisation of funds. The details as to utilization of funds is provided in note no. 12 of Notes to the Financial Statements for the year ended March 31, 2026.

### 6. DIVIDEND

Pursuant to the Dividend Distribution Policy of the Company, the Board of Directors at their meeting held on May 27, 2026, has recommended a final dividend at 5% (₹ 0.25 per equity share of face value ₹5 each) for the financial year ended March 31, 2026.

The final dividend is subject to the approval of Members at the ensuing 41st Annual General Meeting ('AGM') of the Company. The dividend, if declared, will be paid to the Members whose names appear in the Register of Members or in the records of the Depositories/ Share Transfer Agent as on the Record Date i.e., September 18, 2026 and the aggregate dividend of Rs.314,35,572.25 (Rupees Three Crores Fourteen Lakhs Thirty-Five Thousand Five Hundred and Seventy-Two and Twenty-Five Paise Only) will be paid within the statutory timelines, after deduction of tax at source, as applicable.

### 7. MATERIAL CHANGES AND COMMITMENTS

The Company through Postal Ballot Notice dated April 27, 2026 adopted the amended and restated Articles of Association, on May 29, 2026.

The material changes and commitments affecting the financial position of the Company that occurred between the end of the financial year and the date of this report are as follows:

The Company issued and allotted 2,905 Secured, Unlisted Non-Convertible Debentures through private placement, aggregating to ₹145.25 crore, comprising of one tranche of Series C and multiple tranches of Series D, E.

### 8. TRANSFER TO RESERVES

The Company has not transferred any amount to the reserves during the year under review.

## 9. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES AND CHANGES THEREON

As on March 31, 2026, the following constitute the subsidiaries and associates of the Company:

### Subsidiaries:

| Name of Subsidiaries                        | Wholly owned Subsidiary | Material Subsidiary | Step down Subsidiary |
|---------------------------------------------|-------------------------|---------------------|----------------------|
| Himatsingka Wovens Private Limited ('HWPL') | √                       | –                   | -                    |
| Himatsingka Holdings NA Inc. ('HHNA')       | √                       | √                   | -                    |
| Himatsingka America Inc.* ('HIMA')          | √                       | √                   | √                    |

\*Wholly owned Subsidiary of Himatsingka Holdings NA Inc.

### Associates:

- AMPIN Energy C&I Twenty Four Private Limited ("AMPIN") a solar energy company, is an Associate Company. The Company holds 47.30% of the paid up capital of AMPIN, to enhance its renewable energy footprint.

### Consolidated Financial Statements

Pursuant to Section 129(3) of Companies Act, 2013 and Regulation 33 & 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Consolidated Financial Statements of the Company are prepared in accordance with the Indian Accounting Standards (IndAS) prescribed by the Institute of Chartered Accountants of India, forms part of this Annual Report.

The Consolidated Financial Statements presented by the Company include the financial statements of the subsidiary companies. A statement containing the salient features of the Financial Statements of the subsidiaries in form AOC-1 is annexed to this report as **Annexure 1**.

Pursuant to section 136 of Companies Act, 2013, the Annual Report of your Company containing inter alia Financial Statements including Consolidated Financial Statements and Financial Statements of the subsidiaries may be accessed on the following weblink of the Company's website: <https://www.himatsingka.com/investors/financial-reports>

## 10. ANNUAL RETURN

As required under section 92(3) of Companies Act, 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014, the draft of the Annual Return in form MGT-7 for the year 2025-26 may be accessed on the following weblink of the Company's website: [https://www.himatsingka.com/investors/financial-reports?tab=annual\\_report\\_tab](https://www.himatsingka.com/investors/financial-reports?tab=annual_report_tab)

## 11. PUBLIC DEPOSITS

The Company has neither accepted nor has any outstanding deposits from the public pursuant to section 73 of Companies Act, 2013 and the rules made thereunder.

## 12. BOARD OF DIRECTORS AND COMMITTEES

### Composition of Board and changes thereto

Mr. Dinesh Kumar Himatsingka, Executive Chairman, Mr. Shrikant Himatsingka, Executive Vice Chairman & Managing Director, Non-Executive Independent Directors - Mr. Harminder Sahni, Ms. Sandhya Vasudevan, Mr. Ravi Kumar & Mr. Manish Krishnarao Joshi, Non-Executive Nominee Director constitute the Board of Directors of the company

As on March 31, 2026, the Board Directors of the Company comprised of 6 (Six) Directors and its composition was as follows:

- 2 (Two) Promoter Executive Directors, including the Chairman and the Vice Chairman & Managing Director;
- 3 (Three) Non-Executive Independent Directors, including 1 (One) Non-Executive Independent Woman Director and
- 1 (One) Non-Executive Nominee Director.

The composition of the Board of Directors as on the date of this report remains the same as stated above and there were no changes in the composition of the Board, during the year under review.

In the opinion of the Nomination and Remuneration Committee and the Board, Independent Directors hold the requisite expertise, experience and integrity, to serve on the Board of the Company.



## Board Meetings

As detailed below, the Board met 8 (Eight) times during the year under review and the intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations. The details of the meetings and attendance thereof are provided in the Corporate Governance Report which forms part of this Annual Report.

| Sl. No. | Date of meeting | Total Number of directors as on the date of meeting | Attendance                   |                 |
|---------|-----------------|-----------------------------------------------------|------------------------------|-----------------|
|         |                 |                                                     | Number of directors attended | % of attendance |
| 1       | 17/04/2025      | 6                                                   | 5                            | 83.33           |
| 2       | 28/05/2025      | 6                                                   | 6                            | 100             |
| 3       | 12/08/2025      | 6                                                   | 5                            | 83.33           |
| 4       | 02/09/2025      | 6                                                   | 6                            | 100             |
| 5       | 23/10/2025      | 6                                                   | 6                            | 100             |
| 6       | 12/11/2025      | 6                                                   | 6                            | 100             |
| 7       | 12/12/2025      | 6                                                   | 6                            | 100             |
| 8       | 11/02/2026      | 6                                                   | 6                            | 100             |

## Board Committees

The requisite details pertaining to the Committees of the Board are included in the Corporate Governance Report which forms part of this Annual Report.

## Re-appointment of Directors retiring by rotation

In accordance with the provisions of section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Dinesh Kumar Himatsingka, Executive Chairman, (DIN: 00139516), retires by rotation and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee at their meeting held on May 27, 2026 has recommended his re-appointment for approval of the Board and the Board at their meeting held thereafter have recommended his re-appointment for approval of the Shareholders.

Further details form part of the explanatory statement of the notice of the Annual General Meeting.

## Declaration by Independent Directors

The Company has received declarations from each of its Independent Directors, as stipulated under section 149(7) of Companies Act, 2013 and Regulation 25(8) of Listing Regulations, confirming that the Director meets the criteria of independence as laid down under section 149(6) of Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations. The Independent Directors have also declared compliance with Rule 6(1) and 6(2) of Companies (Appointment and Qualification of Directors) Rules, 2014 and have confirmed adherence to the standards of Code of Conduct for Independent Directors prescribed in schedule IV of Companies Act, 2013.

## Directors' Responsibility Statement

As required by the provisions of section 134(3)(c) of Companies Act, 2013, we the Directors of Himatsingka Seide Limited, confirm the following:

- In the preparation of the Annual Financial Statements for the year ended March 31, 2026, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2025-26 and of the profit and loss of the Company for that period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Annual Financial Statements have been prepared on a Going Concern basis;
- The Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Key Managerial Personnel (“KMP”)

The Key Managerial Personnel of the Company as on date and as on March 31, 2026 are:

- Mr. D.K. Himatsingka, Executive Chairman,
- Mr. Shrikant Himatsingka, Executive Vice Chairman & Managing Director,
- Mr. M Sankaranarayanan, President - Finance & Group Chief Financial Officer and
- Ms. Bindu D, Assistant General Manager – Corporate Compliance & Company Secretary.

There were no changes in KMP during the year.

## Board Performance Evaluation

The Company has, during the year, conducted an evaluation of the Board as a whole, its Committees and the individual Directors including the Non- Executive Independent Directors. The evaluation was carried out through different evaluation forms which covered among others, the evaluation of the composition of the Board and its committees, its effectiveness, activities, governance, and with respect to the Chairman and the individual Directors, their participation, integrity, independence, knowledge, impact and influence on the Board. The Non-Executive Independent Directors of the Company convened a separate meeting and evaluated the performance of the Board and its Committees, the Directors and the Chairman.

## 13. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the provisions of Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India pursuant to section 118(10) of Companies Act, 2013.

## 14. AUDITORS AND AUDITORS’ REPORTS

### a) Statutory Auditors

Pursuant to the provisions of section 139 of Companies Act, 2013 and the rules framed thereunder, the members of the Company at the 37th Annual General Meeting held on September 28, 2022 appointed MSKA & Associates, Chartered Accountants, as Statutory Auditors of the Company and are liable to hold office until the conclusion of the 42nd Annual General Meeting of the Company to be held in the year 2027.

MSKA & Associates, Chartered Accountants has been converted into a Limited Liability Partnership w.e.f. January 13, 2026 and is now MSKA & Associates LLP, Chartered Accountants (ICAI Firm Reg. No. 105047W/W101187). The change in constitution does not affect their engagement as Statutory Auditors. The Company has intimated the stock exchanges as required under Listing Regulations.

The report on the consolidated and standalone financial statements of FY-2025-26 by the Statutory Auditors, MSKA & Associates LLP, Chartered Accountants, forming part of the Annual Report is an unmodified report.

- Report on Other Legal and Regulatory Requirements of Standalone and Consolidated Financial Statements by the Independent Auditors contains remarks vide point 1(h)(vi)

Regarding the aforementioned the Board states the following and the same forms part of the note 38(ix)(a) & (b) of the Standalone and Consolidated Financial Statements

#### a) In regard to accounting software (SAP)

The Group has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, we did not come across any instance of audit trail feature being tampered with at application level. Additionally, the audit trail has been preserved by the Group as per the statutory requirements for record retention for application level.

However, with respect to the database level of the said software which has been managed and maintained by a third-party service provider, in the absence of sufficient and appropriate audit evidence adequate coverage in SOC report we are unable to assess whether the database of the software to log any direct changes has a feature of recording audit trail (edit log) facility and whether the same has been enabled and operated throughout the year for all relevant transaction recorded or whether there is any instance of audit trail feature being tampered with. Also, we are unable to assess whether the audit trail feature of prior years have been preserved by the Group as per the statutory requirements for record retention at database level.

b) In regard to accounting software (Saral and Zing HR)

The Group has used certain accounting softwares for maintaining its books of account (managed and maintained by a third-party software service provider) which have a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the softwares. Further, the audit trail of prior years has been preserved by the Group as per the statutory requirements for record retention.

- Information other than the Standalone Financial Statements and Auditor's Report thereon by the Independent Auditors contains a remark vide point vi of 2(h):

With reference to the aforementioned the Board states that the auditor could not comment on the audit trail of one of the allied software used for recording workmen's attendance in the factory, due to unavailability of System and Organization Controls (SOC) report for a short period during the financial year.

The Company remains committed to maintain robust IT controls and to strengthen the controls at the database level ensuring full compliance with applicable regulatory requirements.

- Report on Other Legal and Regulatory Requirements of Consolidated Financial Statements by the Independent Auditors contains remarks vide point 3:

Regarding the aforementioned the Board states that:

With reference to point i(c) of Annexure B of the CARO report relating to Standalone Financials Statement, the property mentioned in the report will be transferred in the name of the Company after the expiry of lease period.

With reference to point vii(a) of Annexure B of the CARO report, any undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there have been slight delays in very few cases. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable. The Company remains committed to make payment of statutory dues as per the respective timelines and to ensure compliances.

**b) Secretarial Auditor**

Pursuant to the provisions of section 204 of the Companies Act, 2013 and on the recommendation of the Audit Committee and the Board, the shareholders approved, the appointment of CS Vivek Manjunath Bhat, Company Secretary in Practice, (CoP:8426) as secretarial auditor of the Company for the period 2026-2030, to provide the Secretarial Audit Report and the Secretarial Compliance Report and such other services as permissible.

The Secretarial Audit Report for the financial year 2025-26 does not contain any adverse remark, qualification or reservation. The report is appended as **Annexure 2** to this report.

**Secretarial Compliance Report**

The Annual Secretarial Compliance Report ("ASCR") under Regulation 24A of the Listing Regulations which is appended as **Annexure 3** to this report. The aforementioned matters stated under the Secretarial Audit also forms part of ASCR.

**c) Cost Auditors**

As the Company's export revenue in foreign exchange for the financial year 2025-26 was greater than 75% (seventy-five percent) of the total revenue of the Company, the Company falls within the exemption specified in Clause 4(3) of The Companies (Cost Records and Audit) Rules, 2014. In view of this, there is no requirement to furnish cost audit of cost records of the Company for its units at Hassan and Doddaballapur.

**d) Internal Auditors**

Pursuant to the provisions of section 138 of Companies Act, 2013, the Board of Directors of the Company has reappointed Grant Thornton Bharat LLP, to conduct the Internal Audit of the Company for the financial year 2025-26. The Audit Committee of the Board of Directors in consultation with the Internal Auditor formulates the scope, functioning, periodicity and methodology for conducting the internal audit of the Company.

**e) Internal Financial Controls**

The Statutory Auditors of the Company has audited Internal Financial Controls over Financial Reporting and their Audit Report is annexed as Annexure C to the Independent Auditors' Report under Standalone Financial Statements and Consolidated Financial Statements.

The Company reviews the effectiveness of controls as part of Internal Financial Controls framework. There are regular scheduled reviews that cover controls, process level controls, fraud risk controls and the Information Technology environment.



Based on this evaluation, no significant events have been noticed during the year that have materially affected, or are reasonably likely to materially affect, our Internal Financial Controls. The management has also come to a conclusion that Internal Financial Controls and other financial reporting was effective during the year and is adequate considering the business operations of the Company.

#### **f) Fraud Reporting**

There have been no instances of fraud reported by the Auditors under section 143(12) of Companies Act, 2013 and rules framed thereunder either to the Company or to the Central Government.

### **15. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES MADE**

The particulars of loans made, guarantees given, investments made and securities provided as per the provisions of section 186 of Companies Act, 2013 and Schedule V of the Listing Regulations and the relevant rules made thereunder are given in the note no. 35 and 36 of the Standalone Financial Statements.

The Company does not fall in the category of sub section 11 of section 186.

The Company has not extended any loan or guarantee to any other company. There are no reportable transactions under section 186.

### **16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All transactions entered into by the Company with its related parties are at arm's length and in the ordinary course of business. The details of related party transactions forms part of Note no. 34 of Standalone Financial Statements of the Company. However, the list of material related party transactions as per the Company's policy on related party transactions, as required under rule 8(2) of Companies (Accounts) Rules, 2014, is annexed to the Board's Report in form AOC-2 as **Annexure 4**. The policy on materiality of related party transactions as approved by the Board may be accessed on the following weblink of the Company's website: <https://www.himatsingka.com/investors/corporate-governance>

### **17. SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS/ COURTS/ TRIBUNALS.**

There are no significant or material orders passed by Regulators/ Courts / Tribunal impacting the going concern status and company's operations in future.

### **18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE**

A statement containing the necessary information on Conservation of energy, Technology absorption and Foreign exchange earnings and outgo stipulated under section 134(3)(m) of Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure-5**.

### **19. RISK MANAGEMENT**

The Company has developed and implemented a comprehensive Risk Management Policy and framework to identify and mitigate the various risks encountered by the Company. In terms of the provisions of section 134 of Companies Act, 2013 a Risk Management Report forms part of the Management Discussion & Analysis section of the Annual Report.

### **20. CORPORATE SOCIAL RESPONSIBILITY**

Corporate Social Responsibility ("CSR") is central to the operating philosophy of the Company and it is the Company's constant endeavour to ensure that its businesses uphold the highest standards of governance and compliance. It aims to deliver sustainable value to society at large as well as to shareholders. In keeping with its philosophy, the Company has a CSR Committee that identifies CSR projects and overlooks, supervises and provides guidance for the implementation of the projects. The company's CSR activities envisage initiatives primarily in the areas of health, education, environmental protection, community development and sanitation among others.

During the year, the Company has contributed towards skill development and providing employment to Apprentices under Apprentices Act as per the National Apprenticeship Promotion Scheme. In addition to the following, the details of the Composition of CSR Committee, the CSR Policy and the CSR spending have been elaborated in **Annexure-6** to this report.

(₹ in Lacs)

| Sl. No. | CSR project or activity identified                                                         | Sector in which the Project is covered                  | Projects or programs – where projects or programs were undertaken project or programs wise |                      | Amount outlay (budget) | Amount spent on the projects or programs | Expenditure on Administrative overheads | Mode of Amount spent |
|---------|--------------------------------------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------------------------------------|----------------------|------------------------|------------------------------------------|-----------------------------------------|----------------------|
|         |                                                                                            |                                                         | Specify the State /Union Territory                                                         | Specify the district |                        |                                          |                                         |                      |
| 1.      | Skill Training under Apprentice Act as per National Apprenticeship Promotion Scheme (NAPS) | Employment enhancing Vocational Skills (Skill Training) | Karnataka                                                                                  | Hassan               | 132.79                 | 132.79                                   | –                                       | Direct               |
| 2.      | Motorized tri-wheelers to specially abled persons*                                         | Livelihood enhancement projects                         | Karnataka                                                                                  | Hassan               | –                      | 4.38                                     | –                                       | Indirect             |
| 3.      | Construction of community hall*                                                            | Rural development projects                              | Karnataka                                                                                  | Hassan               | –                      | 29.61                                    | –                                       | Indirect             |

\*The amount relating to FY 2022-23 in respect of ongoing projects was transferred to Himatsingka Foundation (formed by the Company) and Himatsingka Foundation has transferred it to a special account in accordance with the provisions of the Companies Act, 2013. Further to spending the amount for the designated project, the interest accrued has been utilised in the manner stated above.

## 21. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) The remuneration of Directors is given herein below:

(₹ in Lacs)

| Director                                 | DIN      | Sitting fees | Salaries and perquisites ^ | Profit linked Commission | Total  | Ratio to Median remuneration of employees | Percentage (%) increase/ (Decrease) over previous year |
|------------------------------------------|----------|--------------|----------------------------|--------------------------|--------|-------------------------------------------|--------------------------------------------------------|
| Mr. D. K. Himatsingka                    | 00139516 | Nil          | 360.83                     | 100.00                   | 460.83 | 183.37                                    | 6.97                                                   |
| Mr. Shrikant Himatsingka                 | 00122103 | Nil          | 360.83                     | 100.00                   | 460.83 | 183.37                                    | 6.97                                                   |
| Mr. Harminder Sahni                      | 00576755 | 8.50         | Nil                        | 20.00                    | 28.50  | NA                                        | NA                                                     |
| Ms. Sandhya Vasudevan                    | 00372405 | 9.00         | Nil                        | 20.00                    | 29.00  | NA                                        | NA                                                     |
| Mr. Ravi Kumar                           | 02362615 | 8.00         | Nil                        | 20.00                    | 28.00  | NA                                        | NA                                                     |
| Mr. Manish Krishnarao Joshi <sup>#</sup> | 06532127 | 4.00         | Nil                        | Nil                      | 4.00   | NA                                        | NA                                                     |

<sup>#</sup>Representing Exim

<sup>^</sup>The aforementioned remuneration does not include cost of employee benefits such as gratuity, as provisions for the same are based on an actuarial valuation carried out for the Company as a whole.

In the remuneration mentioned above, salaries and perquisites form the fixed component of the total remuneration. The commission is a variable component and is linked to the operating performance of the Company. None of the Executive Directors receive remuneration or commission from any of the Company's subsidiaries.

b) Percentage Increase/(Decrease) in the Remuneration of the Key Managerial Personnel (other than Directors mentioned above)

| Key Managerial Personnel | Designation                                                          | Percentage Increase/(Decrease) in the remuneration, if any |
|--------------------------|----------------------------------------------------------------------|------------------------------------------------------------|
| Mr. M. Sankaranarayanan  | President – Finance and Group CFO                                    | NIL                                                        |
| Ms. Bindu D.             | Assistant General Manager – Corporate Compliance & Company Secretary | NIL                                                        |

- c) The percentage increase in median remuneration of the employees is 11.66%
- d) The number of permanent employees in the rolls of the Company is 5,284
- e) The average increase in the salaries of managerial personnel during the year was 6.13% and the average increase in the salaries of employees other than managerial personnel was 11.12 %.
- f) During the year, there were no employees (including KMP) whose remuneration was higher than that of the highest paid director.
- g) It is hereby affirmed that the remuneration paid during the year is as per the Nomination and Remuneration Policy of the Company.
- h) Information as per rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

The Statement containing names of top ten employees in terms of remuneration drawn and particulars of employees as required under section 197(12) of Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 shall be provided to the shareholders upon a request made to the Company Secretary at [investors@himatsingka.com](mailto:investors@himatsingka.com). Further, the Annual Report is being sent by email to the Shareholders excluding the aforesaid information in terms of section 136 of Companies Act, 2013.

## 22. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. During the year, the Company has transferred the unclaimed and unpaid dividend of ₹11,71,905 relating to final dividend of the financial year 2017-18 and Rs. 96,026.25 corresponding to final dividend financial year 2024-25 relating to shares in IEPF aggregating to Rs. 12,67,931.25. Further, 51,868 shares on which dividends were unclaimed for seven consecutive years were transferred as per the requirements of the IEPF Rules. Year-wise detail of due date of transfer to IEPF account is provided in the Corporate Governance Report. The details of unpaid/ unclaimed dividends lying in the unpaid account up to the year, and the corresponding shares, which are liable to be transferred may be accessed on the following weblink of the Company's website: <https://www.himatsingka.com/investors/shareholder-information>

## 23. INSURANCE

The Company's assets are subject to risks/ peril and are adequately insured. In addition, the Company has also taken a Directors & Officers Liability Policy to provide coverage against the liabilities arising on them. The Policy extends to all Directors and Officers of the Company and its Subsidiaries.

## 24. RATING

### A) CREDIT RATING

During the year, CRISIL Ratings Limited vide its letter dated September 5, 2025 has reaffirmed the credit rating for the bank facilities of the Company as given below:

| Particulars     | Ratings            |
|-----------------|--------------------|
| Long Term Debt  | CRISIL BBB+/Stable |
| Short Term Debt | CRISIL A2          |

Further, CRISIL Ratings Limited has vide communication dated July 10, 2026, reaffirmed the credit rating of the Company for the bank facilities as given below:

| Particulars     | Ratings                                               |
|-----------------|-------------------------------------------------------|
| Long Term Debt  | CRISIL BBB+ (Reaffirmed)<br>Outlook Revised: Negative |
| Short Term Debt | CRISIL A2 (Reaffirmed)                                |



## 25. POLICIES

### a) Whistle Blower Policy

As a conscious and vigilant organization, Himatsingka Seide Limited believes in the conduct of the affairs of its constituents in a fair and transparent manner, by adopting the highest standards of professionalism, transparency and ethics.

The Company has established a “Whistle Blower Policy” as required under Companies Act, 2013 and Listing Regulations and the same may be accessed on the following weblink of the Company’s website: <https://www.himatsingka.com/investors/corporate-governance>

The Company Secretary of the Company has been designated as the Chief Compliance Officer under the policy and the employees can report genuine concerns of unethical behaviour, fraud and/or violation of the Company’s code of conduct or policy to the Chief Compliance Officer.

The Company has taken adequate measures for the visibility of the whistle blower policy to employees and stakeholders at the workplace and at the plants. In exceptional and appropriate cases, an employee can make direct appeal to the Audit Committee Chairman. The contact details of the Audit Committee Chairman are also available in the Whistle Blower Policy.

This is pursuant to section 177(9) & (10) of Companies Act, 2013 and Regulation 22 of the Listing Regulations. No grievance has been reported to the Audit Committee during the year and the same is stated in the Corporate Governance Report forming part of the Annual Report.

### b) Disclosure as required under section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to provide a safe and secure work environment to all its employees. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Therefore, any discrimination and/or harassment in any form is unacceptable and the Company has in place a Prevention of Sexual Harassment Policy and an Internal Complaints Committee as per the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- a) The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 & the same is stated below:
  - i) number of sexual harassment complaints received: NIL
  - ii) number of sexual harassment complaints disposed off: NIL
  - iii) number of sexual harassment cases beyond 90 days: NIL
- b) The Company is in compliance with all the applicable provisions and regulations set forth in the Maternity Benefit Act, 1961. The company is committed to upholding the rights and welfare of our female employees, ensuring they receive all the benefits and protections mandated by this important legislation including their hygiene, etc.

### c) Nomination and Remuneration Policy

The Nomination and Remuneration Committee has formulated a policy as required under section 178(3) of Act and Regulation 19 read with Schedule II to the Listing Regulations, stipulating the criteria for determining qualifications, required experience and independence of a director and also the criteria relating to the remuneration of the directors, key managerial personnel, senior management personnel and other employees and their performance evaluation. The policy may be accessed on the following weblink of the Company’s website: <https://www.himatsingka.com/investors/corporate-governance>

### d) Dividend Distribution Policy

The Board of Directors of the Company have adopted a Dividend Distribution Policy as required under Regulation 43A of Listing Regulations. The Policy may be accessed on the following weblink of the Company’s website: <https://www.himatsingka.com/investors/corporate-governance>.

### e) Policy for determining material subsidiaries

As required under Regulation 24 of Listing Regulations, the Company has adopted a policy for determining material subsidiaries. The policy has been disclosed on the Company’s website - <https://www.himatsingka.com/investors/corporate-governance>

### f) Policy on Related Party Transactions:

As required under Regulation 23 of Listing Regulations, the Company has a policy on dealing with Related Party Transactions and includes materiality of related party transactions. The same may be accessed on the following weblink on the Company’s website: <https://www.himatsingka.com/investors/corporate-governance>

## **g) Corporate Social Responsibility**

The Board of Directors of the Company have adopted a CSR Policy as required under section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII to Companies Act, 2013. The same may be accessed on the following weblink of the Company's website: <https://www.himatsingka.com/investors/corporate-governance>

## **26. CORPORATE GOVERNANCE**

Pursuant to Regulation 34(3) and Schedule V of the Listing Regulations the detailed report on corporate governance forms a part of the Annual Report.

The Certificate on compliance with the mandatory recommendations on corporate governance issued by Practising Company Secretary is attached as **Annexure 7**.

## **27. MANAGEMENT DISCUSSION AND ANALYSIS REPORT ("MD&A")**

In terms of Regulation 34 of Listing Regulations read with Schedule V, the MD&A forms part of this Annual Report.

## **28. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT ("BRSR")**

The requirement of BRSR was applicable during the year 2021-22 (as Business Responsibility Report). As per Regulation 3 (2A) of the Listing Regulations, the provisions of regulation 34(2)(f), which become applicable to a listed entity on the basis of criteria of market capitalisation, the same shall continue to apply to the Company for a period of three consecutive years and as the Company remains outside the applicable threshold of 1000 ranking, the requirement of BRSR was not applicable to the Company for the financial year 2025-26.

The Company believes that Corporate Governance is an essential element of business and continues to present the BRSR, which forms part of the Annual Report inter alia containing environmental, social and governance disclosures.

## **29. PENDING PROCEEDINGS UNDER THE IBC CODE, 2016 ("IBC")**

An application for recovery is pending before the National Company Law Tribunal ("NCLT"), Bengaluru, under the Insolvency and Bankruptcy Code, 2016 ("IBC"). The application has been initiated by Faze Three Limited in respect of a claim amounting to ₹5.04 crores which is unsubstantiated by the Company. The Company will contest the said proceedings.

## **30. VALUATION FOR LOANS OBTAINED FROM FINANCIAL INSTITUTIONS/ BANKS**

There was no instance of one-time settlement with any Bank or Financial Institution during the period under review.

## **Acknowledgement**

Your Directors wish to place on record their appreciation of the continuous efforts made by all employees in ensuring excellent all-round operational performance. We also wish to thank our Customers, Suppliers, Shareholders, Bankers and Financial Institutions for their continued support. Your Directors would like to express their grateful appreciation to the Central Government and Government of Karnataka for their continued co-operation and assistance.

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**Place: Bengaluru**  
**Date : August 25, 2026**

**Shrikant Himatsingka**  
Executive Vice Chairman &  
Managing Director  
DIN: 00122103

**D.K. Himatsingka**  
Executive Chairman  
DIN: 00139516

## Annexures to the Boards' Report

### ANNEXURE-1

#### STATEMENT REGARDING SUBSIDIARY COMPANIES & ASSOCIATE COMPANY AS ON MARCH 31, 2026

Pursuant to section 129 of Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014

#### Form AOC-1

#### Part "A" Subsidiaries

(₹ in Lacs)

| Sl. No. | Name of the subsidiary                          | HWPL             | HHNA           | HIMA              |
|---------|-------------------------------------------------|------------------|----------------|-------------------|
| 1.      | Date since when Subsidiary was acquired         | January 17, 2003 | April 20, 2004 | July 31, 2015     |
| 2.      | Shareholding                                    | 100%             | 100%           | 100% through HHNA |
| 3.      | Share Capital                                   | 1,750.00         | 1,23,391.35    | 89,176.34         |
| 4.      | Reserves and Surplus                            | 512.22           | 9,693.92       | (48,900.27)       |
| 5.      | Total Assets                                    | 2,648.83         | 1,49,842.83    | 1,91,663.63       |
| 6.      | Total Liabilities ^                             | 386.61           | 16,757.57      | 1,51,387.56       |
| 7.      | Investments*                                    | –                | –              | 27.26             |
| 8.      | Turnover                                        | 165.10           | –              | 1,40,647.48       |
| 9.      | Profit/ (Loss) Before exceptional items and Tax | 124.10           | (0.97)         | 359.84            |
| 10.     | Exceptional items                               | –                | –              | –                 |
| 11.     | Profit/ (Loss) Before Tax                       | 124.10           | (0.97)         | 359.84            |
| 12.     | Provision for Taxation                          | (39.12)          | 2.61           | 145.83            |
| 13.     | Profit/ (Loss) After Tax                        | 163.22           | (3.57)         | 214.01            |
| 14.     | Dividend Declared                               | 246.75           | –              | –                 |
| 15.     | Closing exchange rate                           | INR/1.00         | USD/94.6543    | USD/94.6543       |
| 16.     | Average exchange rate                           | INR/1.00         | USD/91.4300    | USD/91.4300       |

HWPL=Himatsingka Wovens Private Limited, HHNA= Himatsingka Holdings NA Inc.,

HIMA= Himatsingka America Inc.

^ excluding Capital and reserves and including current liabilities and provisions

\*Other than in subsidiaries

The reporting period of the aforementioned subsidiaries is March 31, 2026.



## Part “B” Associate

| Sl. No | Name of the Associate                        | Unaudited Balance sheet* | Shares of Associate/held by the Company on the Year ended |                                    |                     | Description of how there is significant influence                   | Reason why the associate is not consolidated | Net worth attributable to Shareholding as per latest unaudited balance sheet | Profit/Loss for the Year    |                                 |
|--------|----------------------------------------------|--------------------------|-----------------------------------------------------------|------------------------------------|---------------------|---------------------------------------------------------------------|----------------------------------------------|------------------------------------------------------------------------------|-----------------------------|---------------------------------|
|        |                                              |                          | No.                                                       | Amount of Investment in associates | Extent of Holding % |                                                                     |                                              |                                                                              | Considered in consolidation | Not considered in consolidation |
| 1      | AMPIN Energy C&I Twenty Four Private Limited | March 31, 2026           | 57,27,500                                                 | 5,72,75,000                        | 47.30               | The Company holds more than 20% of the voting power in the investee | Consolidated under Equity method.            | 6,80,04,629                                                                  | (27,32,521)                 | (30,44,479)                     |

\* Based on unaudited financials.

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**D.K. Himatsingka**

Executive Chairman  
DIN: 00139516

**Shrikant Himatsingka**

Executive Vice Chairman &  
Managing Director  
DIN: 00122103

**Sankaranarayanan. M**

Chief Financial Officer

**Bindu D.**

Company Secretary  
Membership number: A23290

Place: Bengaluru  
Date : August 25, 2026

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

For the Financial Year ended March 31, 2026

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

To,  
The Members  
Himatsingka Seide Limited  
No. 4/1-2, Crescent Road,  
Bangalore G.P.O., Bangalore- 560001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Himatsingka Seide Limited (CIN: L17112KA1985PLC006647) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

**Auditor's Responsibility:**

My responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. I have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

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

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

- I) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- II) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of investment in overseas subsidiary and External Commercial Borrowings;
- V) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (to the extent applicable);
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (to the extent applicable);
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (to the extent applicable);
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the company during the audit period);
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the company during the audit period);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (to the extent applicable);
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the company during the audit period);
  - h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not applicable to the company during the audit period);

VI. Other laws applicable to the Company including Factories Act, 1948, The Payment of Gratuity Act, Environment Protection Act, 1986 and other applicable Economic and Commercial Laws etc.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder ('Listing Regulations').

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors, Woman Director and Independent Directors. During the period under review, there were no changes in the composition of the Board of Directors.

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. All resolutions were passed with unanimous consent.

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.

I further report that during the audit period, the following specific action have taken place having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- a) Allotted 650 (Six Hundred and Fifty) Series "A" Un-Rated, Unlisted, Senior, Secured, Redeemable Non-Convertible Debentures ("Series "A" NCDs"/ "Series "A" Debentures") each having a face value of INR. 10,00,000/- (Rupees Ten Lakh only) in consideration of an aggregate amount of INR. 65,00,00,000/- (Rupees Sixty-Five Crores only) by way of private placement.
- b) Allotted of 1000 (One Thousand) Series "B" Unlisted, Senior, Secured, Redeemable Transferable Non-Convertible Debentures ("Series "B" NCDs"/ "Series "B" Debentures") each having a face value of INR. 10,00,000/- (Rupees Ten Lakh only) in consideration an aggregate amount of INR. 100,00,00,000/- (Rupees One Hundred Crores only) by way of private placement.

**Vivek Manjunath Bhat**

Practicing Company Secretary

Membership Number: F7708

COP Number: 8426

**Place: Bengaluru**

**Date : May 27, 2026**

PR No: 1482/2021

UDIN:F007708H000506965

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





To,  
The Members  
Himatsingka Seide Limited  
No. 4/1-2, Crescent Road,  
Bangalore G.P.O., Bangalore- 560001

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- 6) Due to the inherent limitations of an audit, which include constraints related to internal, financial, and operating controls, there exists an unavoidable risk that certain misstatements or material non-compliances may not be detected, despite the audit being meticulously planned and executed in accordance with the prevailing Standards.
- 7) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place: Bengaluru**  
**Date : May 27, 2026**

**Vivek Manjunath Bhat**  
Practicing Company Secretary  
Membership Number: F7708  
COP Number: 8426  
PR No: 1482/2021  
UDIN:F007708H000506965

## SECRETARIAL COMPLIANCE REPORT OF HIMATSINGKA SEIDE LIMITED

(CIN: L17112KA1985PLC006647)

For the year ended March 31, 2026

I, Vivek Manjunath Bhat, Practising Company Secretary, Secretarial Auditor of the Company, have examined:

- a) All the documents and records made available to me and explanation provided by Himatsingka Seide Limited ("the Company/ Listed Entity"),
- b) The filings/ submissions made by the Company to the stock exchanges,
- c) Website of the Company,
- d) Other relevant filings required made under other SEBI regulations which have been relied upon to make this certification, for the year ended March 31, 2026 ("Review Period") in respect of compliance with the provisions of:
  - a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
  - b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the audit period)
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the audit period)
- f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable during the audit period)
- g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- h) Other regulations as applicable and circulars/ guidelines issued there under; and based on the above examination, I hereby report that during the period under review:
- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

| Sr. No. | Compliance Requirement (Regulations/ circulars/ guidelines including specific clause) | Regulation/ Circular No. | Deviations | Action Taken by | Type of Action | Details of Violation | Fine Amount | Observations/ Remarks of the Practicing Company Secretary | Management Response | Remarks |
|---------|---------------------------------------------------------------------------------------|--------------------------|------------|-----------------|----------------|----------------------|-------------|-----------------------------------------------------------|---------------------|---------|
| NA      |                                                                                       |                          |            |                 |                |                      |             |                                                           |                     |         |

- b) The listed entity has taken the following actions to comply with the observations made in previous reports:

| Sr. No. | Compliance Requirement (Regulations/ circulars/ guidelines including specific clause) | Regulation/ Circular No. | Deviations | Action Taken by | Type of Action | Details of Violation | Fine Amount | Observations/ Remarks of the Practicing Company Secretary | Management Response | Remarks |
|---------|---------------------------------------------------------------------------------------|--------------------------|------------|-----------------|----------------|----------------------|-------------|-----------------------------------------------------------|---------------------|---------|
| NA      |                                                                                       |                          |            |                 |                |                      |             |                                                           |                     |         |

I hereby report that, during the Review Period the compliance status of the Listed Entity is appended as below:

| Sr. No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                            | Compliance Status (Yes/No/ NA) | Observations/ Remarks by PCS* |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------|
| 1.      | <b>Secretarial Standards:</b><br>The compliances of the Listed Entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.                                                                                                                                 | Yes                            | Nil                           |
| 2.      | <b>Adoption and timely updation of the Policies:</b><br><ul style="list-style-type: none"> <li>All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the Listed Entity</li> <li>All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/circulars/guidelines issued by SEBI</li> </ul>                                           | Yes<br>Yes                     | Nil<br>Nil                    |
| 3.      | <b>Maintenance and disclosures on Website:</b><br><ul style="list-style-type: none"> <li>The Listed entity is maintaining a functional website</li> <li>Timely dissemination of the documents/ information under a separate section on the website</li> <li>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website</li> </ul> | Yes<br>Yes<br>Yes              | Nil<br>Nil<br>Nil             |
| 4.      | <b>Disqualification of Director(s):</b><br>None of the Director(s) of the Company is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the Listed Entity.                                                                                                                                                                                                                                                                      | Yes                            | Nil                           |
| 5.      | <b>Details related to Subsidiaries of Listed Entity have been examined w.r.t.:</b><br>a) Identification of material subsidiary companies<br>b) Disclosure requirement of material as well as other subsidiaries                                                                                                                                                                                                                                        | Yes<br>Yes                     | Nil<br>Nil                    |
| 6.      | <b>Preservation of Documents:</b><br>The Listed Entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.                                                                                                                                                                                 | Yes                            | Nil                           |
| 7.      | <b>Performance Evaluation:</b><br>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.                                                                                                                                                                                                      | Yes                            | Nil                           |
| 8.      | <b>Related Party Transactions:</b><br>a) The Listed Entity has obtained prior approval of Audit Committee for all related party transactions; or<br>b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee, in case no prior approval has been obtained.                                                                            | Yes<br>NA                      | Nil<br>Nil                    |
| 9.      | <b>Disclosure of events or information:</b><br>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed there under.                                                                                                                                                                                                                 | Yes                            | Nil                           |
| 10.     | <b>Prohibition of Insider Trading:</b><br>The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.                                                                                                                                                                                                                                                                                      | Yes                            | Nil                           |



| Sr. No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Compliance Status (Yes/No/ NA) | Observations/ Remarks by PCS* |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------|
| 11.     | <b>Actions taken by SEBI or Stock Exchange(s), if any:</b><br>No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued there under except as provided under separate paragraph herein (**).                                               | Yes                            | Nil                           |
| 12.     | <b>Resignation of statutory auditors from the Listed Entity or its material subsidiaries:</b><br>In case of resignation of statutory auditor from the Listed Entity or any of its material subsidiaries during the financial year, the Listed Entity and/ or its material subsidiary(ies) has/ have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by Listed Entities. | NA                             | NA                            |
| 13.     | <b>Additional Non-compliances, if any:</b><br>No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.                                                                                                                                                                                                                                                                                                                                  | Nil                            | Nil                           |

I further, report that the listed entity is in compliance/ not in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations. – Not Applicable

Assumptions & limitation of scope and review:

- 1) Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
- 2) My responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
- 3) I have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
- 4) This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**Place: Bengaluru**  
**Date : May 27, 2026**

**Vivek Manjunath Bhat**  
Practicing Company Secretary  
Membership Number: F7708  
COP Number: 8426  
PR No: 1482/2021  
UDIN: F007708H000507031

## Form No. AOC-2

Details of Related Party Transactions pursuant to clause (h) of sub section (3) of section 134 of Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014

Details of material contracts or arrangement or transactions at arm's length basis:

| Sl. No. | Name of the Related Party | Nature of relationship | Nature of contract/ arrangement/ transaction | Duration of contract/ arrangement/ transaction | Salient terms                        | Date of approval by the Board, if any | Amount paid as advance if any |
|---------|---------------------------|------------------------|----------------------------------------------|------------------------------------------------|--------------------------------------|---------------------------------------|-------------------------------|
| 1.      | Himatsingka America Inc.  | Step-down subsidiary   | Sale of Goods                                | Continuing                                     | Based on transfer pricing guidelines | February 12, 2025                     | Nil                           |

Details of material contracts or arrangement or transactions which are not on arm's length basis:

| Sl. No. | Name of the Related Party | Nature of relationship | Nature of contract/ arrangement/ transaction | Duration of contract/ arrangement/ transaction | Salient terms | Date of approval by the Board, if any | Amount paid as advance if any |
|---------|---------------------------|------------------------|----------------------------------------------|------------------------------------------------|---------------|---------------------------------------|-------------------------------|
| NIL     |                           |                        |                                              |                                                |               |                                       |                               |

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**Place: Bengaluru**  
**Date : August 25, 2026**

**Shrikant Himatsingka**  
Executive Vice Chairman &  
Managing Director  
DIN: 00122103

**D.K. Himatsingka**  
Executive Chairman  
DIN: 00139516

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

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

**A) CONSERVATION OF ENERGY:**

a) The Company undertook the following steps for conservation of energy/ utilizing alternate source of energy during the year 2025-26:

| Sl. No. | Initiative                                                                  | Particulars                                                                                                                                                                                                        | Conservation           |
|---------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 1.      | Centralization of Spinning compressor with Terry Efficient compressor       | Two screw type compressors taking higher load were stopped. The arrangement to supply compressed air through efficient compressor with latest technology has enabled power saving of 90 KW/H.                      | 7,77,600 Units / Annum |
| 2.      | Transformer Optimization at CPP* (Converter Transformer)                    | Previously two auxiliary transformers in CPP for auxiliary load were running very less load. We have optimized the running with one transformer resulting in reduction in transformer loss and savings of 10 KW/H. | 86400 Units/ Annual    |
| 3.      | LED lights are used in place of conventional light in CPP and Weaving Plant | Total of 2,850 LED lights are used and usage of 20W/Light has been reduced, resulting in savings of 57 KW/H.                                                                                                       | 410400 Units/ Annum    |
| 4.      | Terry-ETP                                                                   | Changes in neutralization chemicals have resulted in huge saving in chemical cost and reduction in highly concentrated chemicals.                                                                                  | 1651760KWH/ Annum      |

\*CPP-Captive Power Plant; ETP- Effluent Treatment Plant; KWH- Killo Watt Hour

**B) TECHNOLOGY ABSORPTION:****a) Efforts in brief made towards technology absorption, adoption and innovation:**

- Centralization of Compressed air system with efficient compressors.
- Spinning Matrix Unit ("MXU") was modified from 6 chambers to 10 chambers for optimization of production and reduction of energy consumption.
- Continued to augment LED footprint for lighting to enhance efficiency and thereby save energy.

**b) Benefits derived as a result of the above efforts:**

- Benefits from the efforts above include enhancement of productivity, resource optimization, cost rationalization, energy saving and carbon footprint reduction.
- Company maintains a sustainable competitive advantage and continues to be a preferred partner for global clients.

**c) Information regarding imported technology:** Installed Laffer machine Italy new technology machines for quality improvement of specific products.**d) Expenditure on R&D**

- For the financial year 2025-26, the Company has not incurred any expenditure towards Research and Development (R&D).

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

| Particulars                                          | ₹ in Lacs          |
|------------------------------------------------------|--------------------|
| <b>Earnings:</b>                                     |                    |
| Export (FOB Value)                                   | 1,46,931.65        |
| <b>Outgo:</b>                                        |                    |
| Import of raw materials and other inputs             | 1,786.65           |
| Other expenses                                       | 504.16             |
| <b>Net foreign exchange earnings from operations</b> | <b>1,44,640.84</b> |
| Import of capital goods                              | 19.65              |





**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

[Pursuant to section 135 of Companies Act, 2013 read with rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

- 1) Brief outline on CSR Policy of the Company: Corporate Social Responsibility (CSR) is central to the operating philosophy of the Company as it is the Company's constant endeavour to ensure that its businesses uphold the highest standards of governance and compliance. The Company proposes to engage in one or more CSR activities falling under the list prescribed under the schedule VII of Companies Act, 2013.
- 2) Composition of CSR Committee:

| Name of the Director     | Position                                   | Meeting of the Committee held on 28.05.2025 | Attended | Percentage of Attendance |
|--------------------------|--------------------------------------------|---------------------------------------------|----------|--------------------------|
| Mr. Shrikant Himatsingka | Chairperson                                | 1                                           | 1        | 100%                     |
| Mr. D.K. Himatsingka     | Member                                     | 1                                           | 1        | 100%                     |
| Ms. Sandhya Vasudevan    | Member, Non-Executive Independent Director | 1                                           | 1        | 100%                     |

- 3) Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the board disclosed on the website of the company: <https://www.himatsingka.com/>
- 4) Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: Not Applicable
- 5)
  - a) Average net profit of the company as per sub-section (5) of section 135: ₹6,640 lacs.
  - b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹132.79 lacs
  - c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL
  - d) Amount required to be set-off for the financial year, if any: NIL
  - e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 132.79 lacs.
- 6)
  - a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Projects): ₹ 132.79 lacs
  - b) Amount spent in Administrative Overheads: Nil
  - c) Amount spent on Impact Assessment, if applicable: Not Applicable
  - d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 132.79 lacs
  - e) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (In ₹) | Amount Unspent (₹ in Lacs)                                                             |                  |                                                                                                                      |        |                  |
|--------------------------------------------------|----------------------------------------------------------------------------------------|------------------|----------------------------------------------------------------------------------------------------------------------|--------|------------------|
|                                                  | Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135. |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135. |        |                  |
|                                                  | Amount                                                                                 | Date of transfer | Name of the Fund                                                                                                     | Amount | Date of transfer |
| ₹ 132.79 lacs                                    | NA                                                                                     | NA               | NA                                                                                                                   | NIL    | NA               |

f) Excess amount for set-off, if any:

| Sl. No. | Particular                                                                                                  | Amount (₹ in Lacs) |
|---------|-------------------------------------------------------------------------------------------------------------|--------------------|
| 1)      | (2)                                                                                                         | (3)                |
| i)      | Two percent of average net profit of the company as per sub-section (5) of section 135                      | ₹ 132.79           |
| ii)     | Total amount spent for the Financial Year                                                                   | ₹ 132.79           |
| iii)    | Excess amount spent for the financial year [(ii)-(i)]                                                       | NIL                |
| iv)     | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL                |
| v)      | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | NIL                |

7) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

| 1       | 2                           | 3                                                                                    | 4                                                                                | 5                                         | 6                                                                                                                           |                  | 7                                                                 | 8                  |
|---------|-----------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------|--------------------|
| Sl. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹) | Amount Spent in the Financial Year (in ₹) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any |                  | Amount remaining to be spent in succeeding Financial Years (in ₹) | Deficiency, if any |
|         |                             |                                                                                      |                                                                                  |                                           | Amount (in ₹)                                                                                                               | Date of Transfer |                                                                   |                    |
| 1.      | FY- 2024-25                 | NA                                                                                   |                                                                                  |                                           |                                                                                                                             |                  |                                                                   |                    |
| 2.      | FY- 2023-24                 | NA                                                                                   |                                                                                  |                                           |                                                                                                                             |                  |                                                                   |                    |
| 3.      | FY- 2022-23                 | NA                                                                                   |                                                                                  |                                           |                                                                                                                             |                  |                                                                   |                    |

8) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9) Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135:  
**Not Applicable**

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**Place: Bengaluru**  
**Date : August 25, 2026**

**Shrikant Himatsingka**  
Chairman, CSR Committee  
DIN: 00122103

**D.K. Himatsingka**  
Executive Chairman  
DIN: 00139516

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

[Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
Himatsingka Seide Limited  
CIN: L17112KA1985PLC006647  
Registered Office: No. 4/1-2, Crescent Road,  
Bangalore G.P.O., Bangalore- 560001

- 1) This certificate is issued in accordance with the terms of our engagement letter dated August 19, 2026.
- 2) I, CS Pramod. S, Practicing Company Secretary, have examined the compliance of conditions of Corporate Governance by the Himatsingka Seide Limited ('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 and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

**Management Responsibility:**

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

**Practicing Company Secretary Responsibility:**

- 4) My responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 5) I have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
- 6) I hereby confirm that I am a peer reviewed unit vide peer review number 8081/2026.

**Opinion:**

- 7) I have examined the compliance of the conditions of Corporate Governance by Himatsingka Seide Limited ('the Company') for the year ended on March 31, 2026, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of Regulation 46 and para-C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2026.

I further state that such compliance 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.

**Restriction on use:**

The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirements of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**Place: Bengaluru**  
**Date : August 25, 2026**

**Pramod S.**  
Practicing Company Secretary  
ACS: 36020; CP No.: 13335  
Peer Reviewed Unit: 8081/2026  
ICSI UDIN: A036020H001243765



## Corporate Governance Report

Pursuant to Regulation 34(3) and Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

### 1) COMPANY’S GOVERNANCE PHILOSOPHY

Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices that ensure the Company’s adherence to fair practices with a view to meet the obligations to various stakeholders.

At Himatsingka Seide Limited (“the Company” / “Himatsingka”) we believe that Corporate Governance is an essential element of business, which helps the Company to fulfill its responsibilities to all its stakeholders. The Company is committed to adopting best practices in Governance and Disclosures in order to create stakeholder value. We believe Corporate Governance is integral to managing and monitoring a corporation with the highest degree of responsibility. At its core, our governance practices endeavour to maximize integrity, transparency, ethical practices and accountability in the conduct of business.

The Company continues to focus its resources and capabilities to ensure Corporate Governance practices are current, relevant and sustainable in order to safeguard the interest of stakeholders and strengthen the very foundation and principles on which the Company builds and expands businesses.

### 2) BOARD OF DIRECTORS (“THE BOARD”)

#### i) Composition and meetings of the Board

Pursuant to Regulation 17(1) of the Listing Regulations, the Company has a well- balanced Board comprising of Executive Directors and Non-Executive Directors being eminent personalities from diverse fields who effectively contribute to the Company’s business and policy decisions.

As on March 31, 2026, the Board Directors of the Company comprised of 6 (Six) Directors and its composition was as follows:

- 2 (Two) Promoter Executive Directors, including the Chairman and Vice Chairman & Managing Director
- 3 (Three) Non-Executive Independent Directors, including 1 (One) Non-Executive Woman Independent Director and
- 1 (One) Non-Executive Nominee Director

The composition of the Board of Directors as on March 31, 2026 is depicted herein below:

**Composition of the Board as on March 31, 2026**



## Directorship & Committee Membership Matrix

The names and categories of the Directors on the Board of the Company, along with the number of Directorships and Committee positions held by them in other companies, as well as the number of shares held in the Company as on March 31, 2026 are provided in the table below:

| Name of the Director         | Category <sup>#</sup> | No. of Directorships held in other companies (Note 1) | No. of Memberships and Chairpersonship in Committees of other public companies (Note 2) |        | No. of shares held by Directors |
|------------------------------|-----------------------|-------------------------------------------------------|-----------------------------------------------------------------------------------------|--------|---------------------------------|
|                              |                       |                                                       | Chairperson                                                                             | Member |                                 |
| Mr. Dinesh Kumar Himatsingka | P, ED                 | 2                                                     | Nil                                                                                     | Nil    | 1,19,02,000*                    |
| Mr. Shrikant Himatsingka     | P, ED                 | 7                                                     | Nil                                                                                     | Nil    | 85,46,964*                      |
| Mr. Harminder Sahni          | NE, ID                | 6                                                     | Nil                                                                                     | Nil    | Nil                             |
| Ms. Sandhya Vasudevan        | NE, WID               | 5                                                     | 1                                                                                       | 3      | Nil                             |
| Mr. Ravi Kumar               | NE, ID                | 2                                                     | 2                                                                                       | 2      | Nil                             |
| Mr. Manish Krishnarao Joshi  | NE, ND                | Nil                                                   | Nil                                                                                     | Nil    | Nil                             |

#P = Promoter, ED = Executive Director, NE = Non-Executive, ID = Independent Director, WID = Woman Independent Director, ND = Nominee Director nominated by the Company's lender, Export-Import Bank of India

\*Direct Holding

In compliance with Regulation 26 of the Listing Regulations, none of the Directors on the Board is a member of more than 10 (Ten) Committees or Chairperson of more than 5 (Five) Committees, across all listed companies in which they serve as Directors. The Company has received the necessary disclosures from all Directors regarding their Committee positions in other companies as on March 31, 2026.

### Notes:

- For the purpose of considering the limit of directorships, directorships held in private companies and companies under Section 8 of the Companies Act, 2013 have been included, while foreign companies have been excluded.
- For the purpose of considering the limit of committee memberships, private limited companies, foreign companies, high-value debt listed entities, and companies under section 8 of the Companies Act, 2013 have been excluded. Chairpersonship and Membership of the Audit Committee and the Stakeholders' Relationship Committee have been considered.

### Inter-Se Relationships Between Directors

None of the Directors on the Board are related to each other, except that Mr. Shrikant Himatsingka, Executive Vice Chairman & Managing Director, is the son of Mr. Dinesh Kumar Himatsingka, Executive Chairman of the Company.

### Directorship in other Listed Companies

| Name of Director      | Category                           | Name of the Listed Company                               |
|-----------------------|------------------------------------|----------------------------------------------------------|
| Ms. Sandhya Vasudevan | Non-Executive Independent Director | 1) TTK Prestige Limited                                  |
| Mr. Ravi Kumar        | Non-Executive Independent Director | 1) Uttam Sugar Mills Limited<br>2) India Glycols Limited |

None of the Directors hold Directorships in excess of the limits prescribed under the Companies Act, 2013 and regulation 17A of the Listing Regulations.

### ii) Attendance of Directors during the year 2025-26

The Board meets at regular intervals and 8 (Eight) Board Meetings were held during the year on the following dates: April 17, 2025, May 28, 2025, August 12, 2025, September 02, 2025, October 23, 2025, November 12, 2025, December 12, 2025 and February 11, 2026. The time gap between two consecutive Board meetings did not exceed 120 days and the same is in compliance of regulation 17(2) & (2A) of Listing Regulations.

## Directors' Attendance Matrix

| Name                         | Annual General Meeting | Board Meeting  |              |                 |                    |                  |                   |                   |                   | No. of Board meeting held during tenure | Attended | Percentage of Attendance |
|------------------------------|------------------------|----------------|--------------|-----------------|--------------------|------------------|-------------------|-------------------|-------------------|-----------------------------------------|----------|--------------------------|
|                              | September 26, 2025     | April 17, 2025 | May 28, 2025 | August 12, 2025 | September 02, 2025 | October 23, 2025 | November 12, 2025 | December 12, 2025 | February 11, 2026 |                                         |          |                          |
| Mr. Dinesh Kumar Himatsingka | LOA                    | LOA            | √            | LOA             | √                  | √                | √                 | √                 | √                 | 8                                       | 6        | 75%                      |
| Mr. Shrikant Himatsingka     | √                      | √              | √            | √               | √                  | √                | √                 | √                 | √                 | 8                                       | 8        | 100%                     |
| Mr. Harminder Sahni          | √                      | √              | √            | √               | √                  | √                | √                 | √                 | √                 | 8                                       | 8        | 100%                     |
| Ms. Sandhya Vasudevan        | √                      | √              | √            | √               | √                  | √                | √                 | √                 | √                 | 8                                       | 8        | 100%                     |
| Mr. Ravi Kumar               | √                      | √              | √            | √               | √                  | √                | √                 | √                 | √                 | 8                                       | 8        | 100%                     |
| Mr. Manish Krishnarao Joshi  | √                      | √              | √            | √               | √                  | √                | √                 | √                 | √                 | 8                                       | 8        | 100%                     |

√- Attended; LOA- Leave of Absence

During the year, information as required under Schedule II, Part A of Regulation 17 of the Listing Regulations was placed before the Board for its consideration.

### iii) Board of Directors – Competency matrix

The Directors on the Board are seasoned professionals with extensive experience across diverse domains including manufacturing, management, corporate strategy, finance, law and banking, regulatory governance, business development, risk management, innovation and digitalization, as well as social impact initiatives. This broad spectrum of expertise enables the Board to effectively oversee the Company's strategic direction and governance.

| Name of the Director         | Textile Industry experience | Factory Operations and processes | Broad management perspective and experience | Financial expertise and interpretation of financial statements | Regulatory & Legal expertise involving corporate law, contracts | Risk Management |
|------------------------------|-----------------------------|----------------------------------|---------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------|-----------------|
| Mr. Dinesh Kumar Himatsingka | √                           | √                                | √                                           | √                                                              | √                                                               | √               |
| Mr. Shrikant Himatsingka     | √                           | √                                | √                                           | √                                                              | √                                                               | √               |
| Mr. Harminder Sahni          | √                           | √                                | √                                           | √                                                              | √                                                               | √               |
| Ms. Sandhya Vasudevan        | √                           | √                                | √                                           | √                                                              | √                                                               | √               |
| Mr. Ravi Kumar               | √                           | –                                | √                                           | √                                                              | √                                                               | √               |
| Mr. Manish Krishnarao Joshi  | –                           | –                                | √                                           | √                                                              | √                                                               | √               |

On the basis of the declarations received from each of the Independent Directors, the Board hereby confirms that all Non-Executive Independent Directors of the Company fulfil the conditions specified in the Listing Regulations and are independent of the management.

### iv) Code of Conduct

In compliance with Regulation 26(3) of the Listing Regulations and the Companies Act, 2013, the Company has adopted the Code of Conduct for the Board of Directors and Senior Management Personnel. The Company has received annual confirmations from all Directors and Senior Management Personnel confirming compliance of the Code during the financial year under review. The Code of Conduct is available on the company's website: <https://himatsingka.com/investors/corporate-governance>

### v) Familiarization Programme and Training

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. In addition, presentations are made at the Board and Committee Meetings on the performance of the Company along with subsidiaries and quarterly updates on relevant statutory changes. All Independent Directors

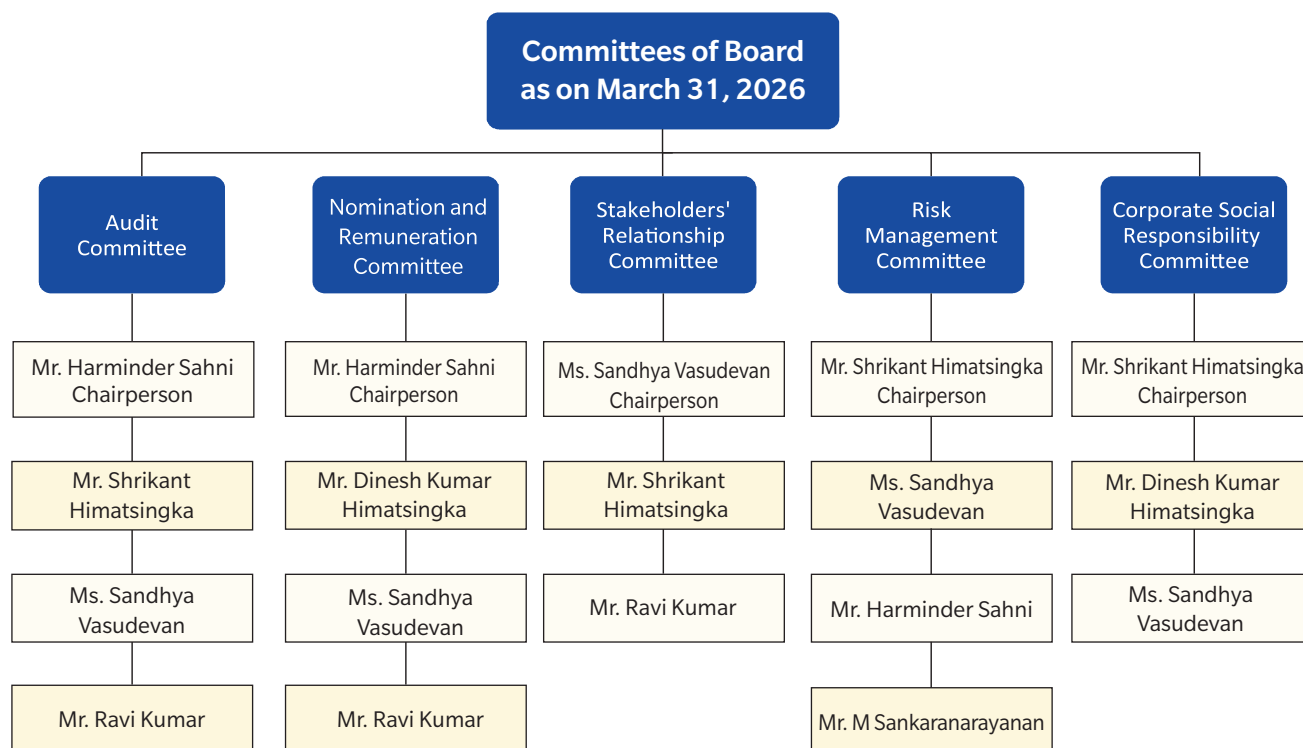


are taken through a detailed induction and familiarisation programme which covers the culture of Himatsingka and various milestones since the Company's incorporation. The details of familiarization programme for Independent Directors are posted on the website of the Company: <https://himatsingka.com/investors/corporate-governance>

#### vi) Re-appointment of Directors

In accordance with the provisions of section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Dinesh Kumar Himatsingka, Executive Chairman (DIN: 00139516), retires by rotation and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee at their meeting held on May 27, 2026 has recommended his re-appointment for approval of the Board and the Board at their meeting held thereafter have recommended his re-appointment for approval of the Shareholders.

### 3) COMMITTEES OF THE BOARD



The aforementioned Committees have been constituted by the Board in compliance with the Companies Act, 2013 and the Listing Regulations.

The Company Secretary & Compliance Officer, acts as the Secretary to all meetings of the Board and its Committees.

#### i) Audit Committee

As on March 31, 2026, the Audit Committee comprised of 3 (Three) Non-Executive Independent Directors i.e., Mr. Harminder Sahni, Ms. Sandhya Vasudevan and Mr. Ravi Kumar and the Executive Vice Chairman & Managing Director, Mr. Shrikant Himatsingka. Mr. Harminder Sahni, Non-Executive Independent Director is the Chairperson of the Committee.

The constitution of the Audit Committee is in conformation with the requirements under Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- reliability of financial and other management information, and adequacy of disclosures;
- compliance with all relevant statutes; efficiency and effectiveness of operations;
- safeguarding of assets and adequacy of provisions for all liabilities;

The role/ functions of the Audit Committee include the following:

| Sl. No. | Role/ Functions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | The recommendation for appointment, remuneration and terms of appointment of auditors of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 2.      | Review and monitor the auditor's independence and performance, and effectiveness of audit process.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 3.      | Examination of the financial statement and the auditors' report thereon.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 4.      | Approval or any subsequent modification of transactions of the company with related parties.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 5.      | Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 6.      | Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 7.      | Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to: <ul style="list-style-type: none"> <li>a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause of sub-section 3 of section 134 of the Companies Act, 2013.</li> <li>b) changes, if any, in accounting policies and practices and reasons for the same.</li> <li>c) major accounting entries involving estimates based on the exercise of judgment by management.</li> <li>d) significant adjustments made in the financial statements arising out of audit findings.</li> <li>e) compliance with listing and other legal requirements relating to financial statements.</li> <li>f) disclosure of any related party transactions.</li> <li>g) modified opinion(s) in the draft Audit Report.</li> </ul> |
| 8.      | Reviewing, with the management, the quarterly financial statements before submission to the board for approval.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 9.      | Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.                                                                                                                                                                                                                                                                                                                                                                                                               |
| 10.     | Review and monitor the auditor's independence and performance, and effectiveness of audit process.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 11.     | Approval or any subsequent modification of transactions of the company with related parties.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 12.     | Scrutiny of inter-corporate loans and investments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 13.     | Valuation of undertakings or assets of the Company, wherever it is necessary.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 14.     | Evaluation of internal financial controls and risk management systems.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 15.     | Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 16.     | Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 17.     | Discussion with Internal Auditors of any significant findings and follow up there on.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 18.     | Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 19.     | Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 20.     | To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 21.     | To review the functioning of the Whistle Blower mechanism.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 22.     | Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 23.     | To review the utilization of loans and/ advances from/investment by the company in its subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 24.     | To consider and comment on rationale, cost benefits and impact of schemes including merger, demerger, amalgamation etc. on the Company and its shareholders.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 25.     | To review the financial statements and investments made by unlisted subsidiaries of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |



|     |                                                                                                                                                                                                                                                                                                                                                      |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 26. | Review of Compliance with Company's Insider Trading Policy.                                                                                                                                                                                                                                                                                          |
| 27. | To review management discussion and analysis of financial condition and results of operations.                                                                                                                                                                                                                                                       |
| 28. | To review management letters/ letters of internal control weaknesses issued by the statutory auditors.                                                                                                                                                                                                                                               |
| 29. | To review internal audit reports relating to internal control weaknesses.                                                                                                                                                                                                                                                                            |
| 30. | To review the appointment, removal and terms of remuneration of the chief internal auditor.                                                                                                                                                                                                                                                          |
| 31. | To review statement of deviations:<br>a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).<br>b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7). |
| 32. | Such other matters as may be deemed necessary by the Chairman of the Committee.                                                                                                                                                                                                                                                                      |
| 33. | Such functions as may be prescribed by the Listing Regulations, the Companies Act, 2013 and such other applicable laws, regulations, circulars, as amended from time to time and functions arising from related policy, if any.                                                                                                                      |

#### Attendance of the Directors at the Meetings of the Audit Committee:

During the year 2025-26, the Audit Committee met 5 (Five) times on the following dates: May 28, 2025, August 12, 2025, September 02, 2025, November 12, 2025 and February 11, 2026. The minutes of the Audit Committee meetings are placed before the Board of Directors in the subsequent Board Meeting. The Chairperson of the Committee attended all the meetings held. The attendance of the members for the year 2025-26 is as under:

| Name of Director         | Position    | Date of Committee Meetings |          |          |          |          | Held during tenure | Attended | Percentage of Attendance |
|--------------------------|-------------|----------------------------|----------|----------|----------|----------|--------------------|----------|--------------------------|
|                          |             | 28.05.25                   | 12.08.25 | 02.09.25 | 12.11.25 | 11.02.26 |                    |          |                          |
| Mr. Harminder Sahni      | Chairperson | √                          | √        | √        | √        | √        | 5                  | 5        | 100%                     |
| Mr. Shrikant Himatsingka | Member      | √                          | √        | √        | √        | √        | 5                  | 5        | 100%                     |
| Ms. Sandhya Vasudevan    | Member      | √                          | √        | √        | √        | √        | 5                  | 5        | 100%                     |
| Mr. Ravi Kumar           | Member      | √                          | √        | √        | √        | √        | 5                  | 5        | 100%                     |

√ Attended;

#### Notes:

The Chairperson of the Audit Committee attended the previous Annual General Meeting.

#### ii) Nomination and Remuneration Committee

As on March 31, 2026, the Nomination and Remuneration Committee comprised of 3 (Three) Non-Executive Independent Directors i.e., Mr. Harminder Sahni, Ms. Sandhya Vasudevan and Mr. Ravi Kumar and the Executive Chairman, Mr. Dinesh Kumar Himatsingka. Mr. Harminder Sahni, Non-Executive Independent Director is the Chairperson of the Committee.

The constitution of the Committee is in conformation with the requirements under Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The role/ functions of the Nomination and Remuneration Committee includes the following:

| Sl. No. | Role/ Functions                                                                                                                                                                                                                                                                                      |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.                                                                                             |
| 2.      | Specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.              |
| 3.      | Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.                                             |
| 4.      | For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. |



|     |                                                                                                                                                                                                                                 |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5.  | Formulation of criteria for evaluation of performance of independent directors and the board of directors.                                                                                                                      |
| 6.  | Devising a policy on diversity of board of directors.                                                                                                                                                                           |
| 7.  | Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.        |
| 8.  | Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.                                                               |
| 9.  | Recommend to the board, all remuneration, in whatever form, payable to senior management.                                                                                                                                       |
| 10. | Such other matters as may be deemed necessary by the Chairman of the Committee.                                                                                                                                                 |
| 11. | Such functions as may be prescribed by the Listing Regulations, the Companies Act, 2013 and such other applicable laws, regulations, circulars, as amended from time to time and functions arising from related policy, if any. |

The annual compensation of the Executive Directors is approved by the Nomination and Remuneration Committee, within the parameters approved by the shareholders at their meetings. The Committee has devised a Nomination and Remuneration Policy in line with the requirements under the Companies Act, 2013 and Listing Regulations, which includes criteria for appointment, performance evaluation and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management, and other employees.

#### Attendance of the Directors at the Meetings of the Nomination and Remuneration Committee:

During the year 2025-26, the Nomination and Remuneration Committee met twice i.e., on May 28, 2025 and August 12, 2025. The Chairperson of the Committee attended all the meetings held during the year. The minutes of the meetings of the Nomination and Remuneration Committee were placed before the Board of Directors at the subsequent Board Meeting. The attendance of the members for the year 2025-26 is as under:

| Name of Director             | Position    | Date of Committee Meetings |          | Held during tenure | Attended | Percentage of Attendance |
|------------------------------|-------------|----------------------------|----------|--------------------|----------|--------------------------|
|                              |             | 28.05.25                   | 12.08.25 |                    |          |                          |
| Mr. Harminder Sahni          | Chairperson | √                          | √        | 2                  | 2        | 100%                     |
| Mr. Dinesh Kumar Himatsingka | Member      | √                          | LOA      | 2                  | 1        | 50%                      |
| Ms. Sandhya Vasudevan        | Member      | √                          | √        | 2                  | 2        | 100%                     |
| Mr. Ravi Kumar               | Member      | √                          | √        | 2                  | 2        | 100%                     |

√- Attended; LOA- Leave of absence

#### Notes:

The Chairperson of the Nomination and Remuneration Committee attended the previous Annual General Meeting. The terms of reference of the Committee are also provided in the Nomination and Remuneration Policy and the same is available on the website of the Company at <https://www.himatsingka.com/investors/corporate-governance>

#### Remuneration of Directors

The Company pays remuneration to Executive Directors by way of salary, perquisites and allowances (fixed component) and commission (variable component) to the eligible Executive Directors. The Company pays sitting fees to Non-Executive Directors for attending the meetings of the Board and its Committees thereof and Commission at the end of the financial year. The Commission is calculated with reference to net profits of the Company in a particular financial year and is determined by the Nomination and Remuneration Committee and the Board at the end of the financial year, subject to overall ceiling stipulated in section 197 of the Companies Act, 2013. The commission is closely linked to the performance of the Company.

Given below are the details of directors remuneration during the financial year 2025-26:

(₹ In Lacs)

| Name                         | Sitting fees | Salaries and perquisites * | Profit linked Commission | Total  |
|------------------------------|--------------|----------------------------|--------------------------|--------|
| Mr. Dinesh Kumar Himatsingka | Nil          | 360.83                     | 100.00                   | 460.83 |
| Mr. Shrikant Himatsingka     | Nil          | 360.83                     | 100.00                   | 460.83 |
| Mr. Harminder Sahni          | 8.50         | Nil                        | 20.00                    | 28.50  |
| Ms. Sandhya Vasudevan        | 9.00         | Nil                        | 20.00                    | 29.00  |
| Mr. Ravi Kumar               | 8.00         | Nil                        | 20.00                    | 28.00  |
| Mr. Manish Krishnarao Joshi# | 4.00         | Nil                        | NA                       | 4.00   |

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\* The aforementioned remuneration does not include cost of employee benefits such as gratuity. Provision for these is based on an actuarial valuation carried out for the Company as a whole.

The shareholders approved the below mentioned tenure of the Executive Directors and the same forms part of the service agreements:

| Sl. No | Name                         | Tenure                            |
|--------|------------------------------|-----------------------------------|
| 1.     | Mr. Dinesh Kumar Himatsingka | From June 1, 2023 to May 31, 2028 |
| 2.     | Mr. Shrikant Himatsingka     | From June 1, 2023 to May 31, 2028 |

Mr. Harminder Sahni\*, Non-Executive Director is interested in the following transaction with the Company. The same does not exceed the threshold limits enunciated in section 149(6) of the Companies Act, 2013 and is in compliance with the Listing Regulations.

(₹ In Lacs)

| Particulars                                                   | Amount |
|---------------------------------------------------------------|--------|
| Professional fees paid to M/s. Wazir Advisors Private Limited | 7.51   |

\*promoter & Managing Director of M/s. Wazir Advisors Private Limited

The transaction is in the ordinary course of business and on arms' length basis and has been approved by the Audit Committee and the Board.

#### Criteria for making payments to Non-Executive Directors:

The shareholders of the Company, at the Annual General Meeting held on September 28, 2023, approved the Commission payable to Non-Executive Directors pursuant to the provisions of section 197 of the Companies Act, 2013.

#### Performance Evaluation Criteria for Independent Directors:

Performance Evaluation of Independent Directors is based on criteria such as significant understanding and knowledge of the entity and the sector in which company operates, ability to function as an effective team- member, availability for meetings of the Board and attendance at the meetings, effective contribution to the entity and in the Board meetings, independence from the entity and the other directors and there being no conflict of interest, etc.

#### iii) Stakeholders' Relationship Committee

As on March 31, 2026, Stakeholders' Relationship Committee comprised of 2 (Two) Non-Executive Independent Directors i.e., Ms. Sandhya Vasudevan and Mr. Ravi Kumar and the Executive Vice Chairman & Managing Director, Mr. Shrikant Himatsingka. Ms. Sandhya Vasudevan, Non-Executive Independent Director is the Chairperson of the Committee.

Ms. Bindu D., Assistant General Manager – Corporate Compliance & Company Secretary, is designated as the Compliance officer of the company.

The constitution of the Committee is in conformation with the requirements under section 178 of the Companies Act, 2013 and regulation 20 of the Listing Regulations.

The role/ functions of the Stakeholders' Relationship Committee include the following:

| Sl. No. | Role/ Functions                                                                                                                                                                                                                                                |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Resolving the grievances of the 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. |
| 2.      | Review of measures taken for effective exercise of voting rights by shareholders.                                                                                                                                                                              |
| 3.      | Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.                                                                                                     |
| 4.      | Review of the various 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.                    |
| 5.      | Such other matters as may be deemed necessary by the Chairman of the Committee.                                                                                                                                                                                |
| 6.      | Such functions as may be prescribed by the Listing Regulations, the Companies Act, 2013 and such other applicable laws, regulations, circulars, as amended from time to time and functions arising from related policy, if any.                                |

#### Attendance of the Directors at the Meetings of the Stakeholders' Relationship Committee:

During the year 2025-26, the Committee met once, on August 12, 2025. The minutes of the Stakeholders' Relationship Committee meetings were placed before the Board at the subsequent Board meeting. The attendance of the members for the year 2025-26 is as under:

| Name of Director         | Position    | Date of Committee Meetings | Held during tenure | Attended | Percentage of Attendance |
|--------------------------|-------------|----------------------------|--------------------|----------|--------------------------|
|                          |             | 12.08.25                   |                    |          |                          |
| Ms. Sandhya Vasudevan    | Chairperson | √                          | 1                  | 1        | 100%                     |
| Mr. Shrikant Himatsingka | Member      | √                          | 1                  | 1        | 100%                     |
| Mr. Ravi Kumar           | Member      | √                          | 1                  | 1        | 100%                     |

√- Attended

The Chairperson of the Stakeholders' Relationship Committee attended the previous Annual General Meeting.

#### Complaints received from Investors during the financial year 2025-26:

| Nature of Complaints             | Received  | Resolved  |
|----------------------------------|-----------|-----------|
| Non-receipt of Annual Report     | 2         | 2         |
| Non-receipt of dividend warrants | 45        | 45        |
| Non-receipt of securities        | 1         | 1         |
| Complaints received through SEBI | 1         | 1         |
| <b>TOTAL</b>                     | <b>49</b> | <b>49</b> |

The Company through the Share Transfer Agent, addressed the investors' grievances/ correspondence within the requisite time limit from the date of receipt of the same during the financial year 2025-26 and no complaints remained unresolved at the end of the year.

#### iv) Corporate Social Responsibility Committee

As on March 31, 2026, the Corporate Social Responsibility Committee comprised of 1 (One) Non- Executive Independent Director i.e., Ms. Sandhya Vasudevan and 2 (Two) Executive Directors, Mr. Shrikant Himatsingka and Mr. Dinesh Kumar Himatsingka. Mr. Shrikant Himatsingka, Executive Vice Chairman & Managing Director, is the Chairperson of the Committee.

The constitution of the Committee is in accordance with the requirements of section 135 of the Companies Act, 2013.



The roles / functions of the Corporate Social Responsibility Committee includes the following:

| Sl. No. | Roles/ Functions                                                                                                                                                                                                                           |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Act;                              |
| 2.      | Recommend the amount of expenditure to be incurred on the Corporate Social activities.                                                                                                                                                     |
| 3.      | Monitor the Corporate Social Responsibility Policy of the Company from time to time.                                                                                                                                                       |
| 4.      | Such other matters as may be deemed necessary by the Chairman of the Committee                                                                                                                                                             |
| 5.      | Such additional functions as may be prescribed by the Listing Regulations, the Companies Act, 2013 and such other applicable laws, regulations, circulars, as amended from time to time and functions arising from related policy, if any. |

The company has identified three thrust areas for its Corporate Social Responsibility (CSR) initiatives namely Health, Education and Community Development and Skill Development. The details of CSR activities undertaken during the year are given in **Annexure 6** to the Board's Report, forming part of the Annual Report.

#### Attendance of the Directors at the Meetings of the Corporate Social Responsibility Committee:

During the year 2025-26, the committee met once, on May 28, 2025. The Chairperson of the Committee attended all the meetings held during the year. The minutes of the Corporate Social Responsibility Committee meeting was placed before the Board at the subsequent Board meeting. The attendance of the members for the year 2025-26 is as under:

| Name of the Director         | Position    | Date of Committee Meetings | Held during tenure | Attended | Percentage of Attendance |
|------------------------------|-------------|----------------------------|--------------------|----------|--------------------------|
|                              |             | 28.05.25                   |                    |          |                          |
| Mr. Shrikant Himatsingka     | Chairperson | √                          | 1                  | 1        | 100%                     |
| Ms. Sandhya Vasudevan        | Member      | √                          | 1                  | 1        | 100%                     |
| Mr. Dinesh Kumar Himatsingka | Member      | √                          | 1                  | 1        | 100%                     |

√- Attended

The CSR committee initiatives are available on our website at <https://www.himatsingka.com/sustainability/corporate-social-responsibility>

#### v) Risk Management Committee

As on March 31, 2026, the Risk Management Committee comprised of 2 (Two) Non-Executive Independent Directors i.e., Mr. Harminder Sahni, Ms. Sandhya Vasudevan, 1 (One) Executive Director – Mr. Shrikant Himatsingka and 1 (One) Non-Board Member – Mr. M. Sankaranarayanan, President – Finance & Group CFO. Mr. Shrikant Himatsingka, Executive Vice Chairman & Managing Director is the Chairperson of the Committee. Mr. Harminder Sahni, Non-Executive Independent Director, was inducted as a member of the Committee w.e.f. August 12, 2025

The constitution of the Committee is in conformation with the requirements of Regulation 21 of the Listing Regulations.

The roles/ functions of the Risk Management Committee include the following:

| Sl. No. | Roles/ Functions                                                                                                                                                                                                                                                                                                     |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Formulate a detailed risk management policy which shall include:<br>a) a framework for identification of internal and external risks specifically faced by the Company.<br>b) measures for risk mitigation including systems and processes for internal control of identified risks.<br>c) business continuity plan. |
| 2.      | Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.                                                                                                                                                                   |
| 3.      | Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.                                                                                                                                                                                      |
| 4.      | Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.                                                                                                                                                         |
| 5.      | Keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.                                                                                                                                                                                       |

|    |                                                                                                                                                                                                                                            |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6. | The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.                                                                                         |
| 7. | Such other matters as may be deemed necessary by the Chairman of the Committee.                                                                                                                                                            |
| 8. | Such additional functions as may be prescribed by the Listing Regulations, the Companies Act, 2013 and such other applicable laws, regulations, circulars, as amended from time to time and functions arising from related policy, if any. |

#### Attendance of the Directors at the Meetings of the Risk Management Committee:

During the year 2025-26, 2 (Two) meetings of the Committee were held on July 23, 2025 and February 16, 2026. The minutes of Risk Management Committee meetings were placed before the Board at the subsequent Board meeting. The attendance of the members for the year 2025-26 is as under:

| Name of the Director     | Position               | Date of Committee Meetings |          | Held during tenure | Attended | Percentage of Attendance |
|--------------------------|------------------------|----------------------------|----------|--------------------|----------|--------------------------|
|                          |                        | 23.07.25                   | 16.02.26 |                    |          |                          |
| Mr. Shrikant Himatsingka | Chairperson            | LOA                        | LOA      | 2                  | 0        | 0%                       |
| Ms. Sandhya Vasudevan    | Member                 | √                          | √        | 2                  | 2        | 100%                     |
| Mr. Harminder Sahni      | Member w.e.f. 12.08.25 | NA                         | √        | 1                  | 1        | 100%                     |
| Mr. M Sankaranarayanan   | Member                 | √                          | √        | 2                  | 2        | 100%                     |

√- Attended; NA- Not Applicable; LOA- Leave of Absence

#### vi) Share Transfer Committee

As on March 31, 2026, the Share Transfer Committee comprised of 2 (Two) Executive Directors i.e., Mr. Dinesh Kumar Himatsingka and Mr. Shrikant Himatsingka and 1 (One) Non-Executive Independent Director, Mr. Harminder Sahni. Mr. Dinesh Kumar Himatsingka, Executive Chairman is the Chairperson of the Committee.

The roles/ functions of the Share Transfer Committee as delegated by the Board includes the following:

| Sl. No. | Roles/ Functions                                                                                                                                                                                                                                                                                  |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Approve various investor's service requests including transfer/ transmission of securities, transposition, issue of duplicate share certificates, letter of confirmation, Sub-division/ Splitting of securities, Consolidation of securities, dematerialization and re-materialisation of shares. |
| 2.      | Noting of status of dematerialization and re-materialisation of equity shares of the Company.                                                                                                                                                                                                     |
| 3.      | Such other matters as may be deemed necessary by the Chairman of the Committee.                                                                                                                                                                                                                   |
| 4.      | Such additional functions as may be prescribed by the Listing Regulations, the Companies Act, 2013 and such other applicable laws, regulations, circulars, as amended from time to time and functions arising from related policy, if any.                                                        |

#### Attendance of the Directors at the Meetings of the Share Transfer Committee:

During the year 2025-26, the Committee met 3 (Three) times on April 05, 2025, September 30, 2025 and October 30, 2025. The Chairperson of the Committee attended all the meetings held during the year. The minutes of Share Transfer Committee meeting was placed before the Board in the subsequent Board meeting. The attendance of the members for the year 2025-26 is as under:

| Name of Director             | Position    | Date of Committee Meetings |          |          | Held during tenure | Attended | Percentage of Attendance |
|------------------------------|-------------|----------------------------|----------|----------|--------------------|----------|--------------------------|
|                              |             | 05.04.25                   | 30.09.25 | 30.10.25 |                    |          |                          |
| Mr. Dinesh Kumar Himatsingka | Chairperson | √                          | √        | √        | 3                  | 3        | 100%                     |
| Mr. Shrikant Himatsingka     | Member      | √                          | √        | LOA      | 3                  | 2        | 66.67%                   |
| Mr. Harminder Sahni          | Member      | LOA                        | LOA      | √        | 3                  | 1        | 33.33%                   |

√- Attended; LOA- Leave of Absence

The committee meets at regular intervals to review and approve matters delegated by the Board.



## Share Transfer System

Pursuant to Regulation 40 of the Listing Regulations, securities can be transferred only in dematerialised form. Members holding shares in physical form are requested to convert their holdings to demat form and may contact the Company at [investors@himatsingka.com](mailto:investors@himatsingka.com) or to the Share Transfer Agent ("RTA"), KFin Technologies Limited at [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com).

Shareholders' requests for the issuance of letter of confirmation for transmission/duplicate share certificates and other related matters are handled by the Company through its RTA within the stipulated timelines, provided the documents submitted are valid and complete.

### vii) Finance and Investment Committee:

As on March 31, 2026, the Finance and Investment Committee comprised of 2 (Two) Non- Executive Independent Director i.e. Mr. Ravi Kumar, Mr. Harminder Sahni and 2 (Two) Executive Directors i.e., Mr. Dinesh Kumar Himatsingka and Mr. Shrikant Himatsingka.

The Members elect the Chairperson of the Committee at each meeting.

The roles/ functions of the Finance and Investment Committee as delegated by the Board include the following:

| Sl. No. | Roles/ Functions                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Approve availing of credit/ financial facilities of any description from Banks/ Financial Institutions/ Bodies Corporate not exceeding Rs. 200 crores and be within the borrowing limit approved by the shareholders under section 180(1)(c) of the Companies Act, 2013.                                                                                                                                                                         |
| 2.      | Approve providing security of moveable/ immovable properties of the Company to banks or financial institutions arising in connection with any loan facility availed / to be availed by the Company / Subsidiaries including providing corporate guarantee or deed of undertaking and to execute documents, deeds, agreements and such letters as may be required.                                                                                |
| 3.      | Authorize personnel to affix common seal of the company on the related documents, as may be necessary.                                                                                                                                                                                                                                                                                                                                           |
| 4.      | Authorize personnel, to represent the Company and to enable matters with various statutory authorities including in connection with Income Tax Act, Customs Act, Goods and Service Act, Central Excise, Profession Tax, Commercial Tax, State & Central Sales Tax, Employees Gratuity matters, VAT Authorities and other Local Authorities including by authorization to execute Power of Attorney, if any, in connection with the said matters. |
| 5.      | Amendment or modification of powers and changes in authorized signatories in connection with any facility availed from Banks/ Financial Institutions within the facility limits approved by the Board.                                                                                                                                                                                                                                           |
| 6.      | Open/ close Current Account(s), Collection Account(s), Operation Account(s), or any other Account(s) with Banks, authorizing signatories to operate such Bank accounts including availing such other services like phone banking, internet banking etc., vendor financing arrangement with cash invoice for all vendors, which the Committee may consider necessary and expedient.                                                               |
| 7.      | Authorisations for availing lease/ rent arrangement of vehicles, plant & machinery, equipment, matters relating to Legal Entity Identifier, availing telecom network/ internet services from providers.                                                                                                                                                                                                                                          |
| 8.      | Enable to comply with routine statutory and regulatory procedures other than those specifically required to be approved by the board of directors in a meeting as per the applicable law.                                                                                                                                                                                                                                                        |
| 9.      | Such other related matters as may be deemed necessary by the Chairman of the Committee.                                                                                                                                                                                                                                                                                                                                                          |
| 10.     | Such additional related functions as may be prescribed by the Listing Regulations, the Companies Act, 2013 and such other applicable laws, regulations, circulars, as amended from time to time and functions arising from related policy, if any."                                                                                                                                                                                              |

### Attendance of the Directors at the Meetings of the Finance and Investment Committee:

During the year 2025-26, the Committee met 6 (Six) times on June 2, 2025, June 25, 2025, September 27, 2025, January 19, 2026, February 18, 2026 and March 18, 2026. The minutes of Finance and Investment Committee meetings were placed before the Board at the subsequent Board meeting. The attendance of the members for the year 2025-26 is as under:



| Name of Director             | Position                 | Date of Committee Meetings |          |          |          |          |          | Held during tenure | Attended | Percentage of Attendance |
|------------------------------|--------------------------|----------------------------|----------|----------|----------|----------|----------|--------------------|----------|--------------------------|
|                              |                          | 02.06.25                   | 25.06.25 | 27.09.25 | 19.01.26 | 18.02.26 | 18.03.26 |                    |          |                          |
| Mr. Dinesh Kumar Himatsingka | Member                   | LOA                        | LOA      | ✓        | LOA      | LOA      | LOA      | 6                  | 1        | 20%                      |
| Mr. Shrikant Himatsingka     | Member                   | ✓                          | ✓        | ✓        | ✓        | ✓        | LOA      | 6                  | 5        | 100%                     |
| Mr. Ravi Kumar               | Member                   | ✓                          | ✓        | ✓        | ✓        | ✓        | ✓        | 6                  | 6        | 100%                     |
| Mr. Harminder Sahni          | Member<br>w.e.f 12.08.25 | NA                         | NA       | ✓        | ✓        | ✓        | ✓        | 4                  | 4        | 100%                     |

✓- Attended; NA- Not Applicable; LOA- Leave of Absence

Mr. Shrikant Himatsingka, chaired the meetings of the Committee, held during the year and in his absence Mr. Ravi Kumar, chaired the meeting of the Committee. The committee meets at regular intervals to review and approve matters delegated by the Board.

#### viii) Securities Committee:

As on March 31, 2026, the Securities Committee comprised of 2 (Two) Non-Executive Independent Directors i.e., Mr. Harminder Sahni and Mr. Ravi Kumar and 1 (One) Executive Director, Mr. Shrikant Himatsingka. Mr. Shrikant Himatsingka, Executive Vice Chairman & Managing Director is the Chairperson of the Committee. Meeting of the Committee was not required to be held during the year.

The roles/ functions of the Securities Committee as delegated by the Board include the following:

| Sl. No. | Roles/ Functions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | Finalising the key terms of the issue/ proposed issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 2.      | Decide the date for the opening and closing of the issue of Securities, including determining the form and manner of the issue, number of Securities to be allotted, determining the relevant date/ record date/ reference date, regulatory floor price, issue price, face value, discount and premium, if any selection of eligible QIBs/ eligible persons to whom the Securities are proposed to be offered, issued and allotted.                                                                                                                       |
| 3.      | Issuance and allotment of Securities, approval of conversion thereof, where applicable and completion of corporate action with depositories.                                                                                                                                                                                                                                                                                                                                                                                                              |
| 4.      | Negotiate, finalize and execute all transaction documents such as offer document, placement document, private placement offer letter, letter of offer, depository agreements, escrow agreement, monitoring agency agreement, listing application, deeds, (including amending, varying or modifying the same, as may be considered desirable or expedient) and any other agreements or memoranda or documents, as may be necessary in connection with the issue/ offering and submission of these documents to authorities/ regulatory as may be required. |
| 5.      | Authorize personnel to affix common seal of the company on the related documents, as may be necessary.                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 6.      | Seeking, if required, the consent of the Company's lenders, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the issue and allotment of the Securities.                                                                                                                                                                                                              |
| 7.      | Seeking the listing of the Securities on the Stock Exchanges, and submitting the listing application to the Stock Exchanges and taking all actions that may be necessary in connection with obtaining such listing.                                                                                                                                                                                                                                                                                                                                       |
| 8.      | Authorise opening, operating and closure of various bank account(s) for the purpose of the issue including with any escrow bank.                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 9.      | Creation of Securities/ Charges on the assets of Company for providing security for issuing Securities.                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 10.     | To make appropriate regulatory filings as required under applicable law with the authorized dealer, RBI or any other regulatory authority with respect to the issuance of the Securities.                                                                                                                                                                                                                                                                                                                                                                 |
| 11.     | To settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotments and utilization of the issue proceeds as it may, in its absolute discretion deem fit.                                                                                                                                                                                                                                                                                                                                                             |
| 12.     | Monitor and review the developments of the issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 13.     | Authorise any executive director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as the authorised person in its absolute discretion may deem necessary or desirable in connection with the issue and allotment of the Securities.                                                                                                                                                                                                               |
| 14.     | To do all such acts, deeds, matters and things as the Committee may, in its absolute discretion, consider necessary, proper, expedient, desirable or appropriate for making the said proposed issue as it, may deem fit and proper in its absolute discretion to be most beneficial to the Company.                                                                                                                                                                                                                                                       |
| 15.     | Such other related matters as may be deemed necessary by the Chairman of the Committee.                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 16.     | Such additional related functions as may be prescribed by the Listing Regulations, the Companies Act, 2013 and such other applicable laws, regulations, circulars, as amended from time to time and functions arising from related policy, if any."                                                                                                                                                                                                                                                                                                       |

### Resolution by Circulation:

Pursuant to Section 175 of the Companies Act, 2013, read with the Secretarial Standard (SS)-1, in cases of special and urgent business needs, the Board's/ Committee's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed at the subsequent Board/ Committee Meeting.

## 4) SENIOR MANAGEMENT

Details of Senior Management:

| Name                          | Designation                                                          |
|-------------------------------|----------------------------------------------------------------------|
| Ms. Akanksha Himatsingka      | CEO – Home Textile Solutions                                         |
| Mr. M. Sankaranarayanan       | President – Finance & Group CFO                                      |
| Mr. Major (Retd.) Kumud Kumar | President – Human Resources & Group CHRO                             |
| Mr. Brian Delp                | President – Sales & Global Licensing (North America)                 |
| Mr. Hemant Khandelwal         | President – Manufacturing Operations & Group COO                     |
| Mr. Sajjad Mubarak Khan       | President & Business Head – Home Textiles Solutions                  |
| Mr. Gaurav Sharma             | President & Business Head – Fabric & Apparel Solutions               |
| Ms. Debasmita Gupta           | Senior Vice President – Group General Counsel                        |
| Ms. Maria Alapatt             | Senior Vice President – Design & Marketing                           |
| Ms. Bindu D.                  | Assistant General Manager – Corporate Compliance & Company Secretary |

Further to closure of FY 2026 changes in Senior Management Personnel are as below:

- Mr. Sajjad Mubarak Khan was appointed as President & Business Head– Sales (Home Textiles & Yarn Solutions)
- Mr. Gaurav Sharma was appointed as President & Business Head – Apparel & Fabric Solutions

## 5) GENERAL BODY MEETINGS

Details of the last three Annual General Meetings (“AGMs”) of the Company held through Video Conferencing (“VC”)/ Other Audio-Visual Mode (“OAVM”) facility are detailed below:

| Date               | Year    | Time       | Special Resolutions passed                                                                                                                                                                                                                                                                      |
|--------------------|---------|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| September 26, 2025 | 2024-25 | 12:10 p.m. | 1) Subject the directorship of Mr. Shrikant Himatsingka, Executive Vice Chairman & Managing Director to section 152 i.e. retirement by rotation and Re-appoint Mr. Shrikant Himatsingka who retires by rotation.<br>2) Approval of the limit of payment to Non-Executive Independent Directors. |
| September 27, 2024 | 2023-24 | 12:10 p.m. | 1) Re-appointment of Mr. Dinesh Kumar Himatsingka (DIN: 00139516) who retires by rotation.<br>2) Correction of the typographic error in resolution passed at the AGM held on September 28, 2023, approving the limit of annual payment to Non-Executive Directors.                              |
| September 28, 2023 | 2022-23 | 12:00 p.m. | 1) Payment of Remuneration to Non-Executive Directors.                                                                                                                                                                                                                                          |

\*The abovementioned AGMs were deemed to be held at the then Registered Office of the Company i.e. 10/24, Kumara Krupa Road, High Grounds, Bangalore- 560001

### Postal Ballot

During the year no Resolutions were passed through postal ballot. Further, as on date of this report the following resolutions were passed by the Shareholders through Postal Ballot:

1. Postal Ballot Notice dated April 27, 2026:

| Type of Resolution | Resolutions                                                                                                                                                              | Voting Results       |                    |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------|
|                    |                                                                                                                                                                          | Votes cast in favour | Votes cast against |
| Special Resolution | Remuneration Payable to Mr. Dinesh Kumar Himatsingka, Executive Chairman, (DIN:00139516), for the remaining tenure of two years ending May 31, 2028                      | 98.3647%             | 1.6353%            |
| Special Resolution | Remuneration Payable to Mr. Shrikant Himatsingka, Executive Vice Chairman & Managing Director (DIN: 00122103), for the remaining tenure of two years ending May 31, 2028 | 98.3647%             | 1.6353%            |
| Special Resolution | Adoption of Amended and Restated Articles of Association of the Company                                                                                                  | 99.3003%             | 0.6997%            |

The Board had appointed CS Vinod Sunder Raman, a Practicing Company Secretary, (C.P. No. 22422), failing him CS Megha Mattoo, (C.P. No.27124), of M/s Megha M Vinod & Co. LLP, Company Secretaries (Peer Review No. 6786/ 2025), as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

In compliance with Circulars issued by the Ministry of Corporate Affairs, the Postal Ballot Notice dated April 27, 2026 was sent through electronic mode to those members whose names appeared in the Register of Members/ List of Beneficial Owners and whose e-mail addresses are registered with the Share Transfer Agent of the Company i.e. KFin Technologies Limited and the Depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited as on the cut-off date i.e. Friday, April 24, 2026.

The voting period commenced on Thursday, April 30, 2026 at 9:00 a.m. (IST) and ended on Friday, May 29, 2026 at 5:00 p.m. (IST). The above resolutions were passed by requisite majority on Friday, May 29, 2026.

Further, as on date of this report, no Resolutions are proposed to be passed through postal ballot.

## 6) MEANS OF COMMUNICATION

- The relevant information relating to the Directors who would be appointed/re-appointed at the ensuing Annual General Meeting are given in the Notice convening the ensuing Annual General Meeting.
- The quarterly, half yearly, nine months and annual financial results of the Company (both standalone and consolidated) are intimated to the stock exchanges immediately after they are approved by the Board and are published in Business Standard – English Newspaper, and Vartha Bharati – Kannada newspaper, Bengaluru.
- The financial results, press releases, details of institutional investors and analyst meetings are filed with the Stock Exchanges and displayed on the Company's website [www.himatsingka.com](http://www.himatsingka.com).
- The 'Investors' section of Company's website hosts shareholder's related information.
- Reminders for unclaimed dividend are sent to the shareholders, as per records, before transferring the unclaimed dividend to Investor Education Protection Fund.
- Shareholders should first approach the Company's RTA for grievance resolution. If unresolved or unsatisfied, they may file complaints with SEBI through the SCORES portal (<https://scores.sebi.gov.in>). The Company is registered on SCORES and works to resolve all complaints promptly. SEBI's ODR portal (<https://smartodr.in>) offers an online dispute resolution mechanism; complaints filed here while pending on SCORES are deemed disposed on SCORES. The Company has designated investors@himatsingka.com as the designated exclusive email-ID for redressal of investor grievances.

## 7) CODE FOR PREVENTION OF INSIDER TRADING

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('SEBI PIT Regulations'), the Company has adopted a code of conduct to regulate, monitor and report trading in its shares by Designated Person(s)/and their immediate relatives. The Code prohibits the designated persons/ insiders and their immediate relatives to trade in shares of the Company while in possession of Unpublished Price Sensitive Information ("UPSI").

As per the amendment to SEBI PIT Regulations, dated July 17, 2020, the Company maintains a digital database of UPSI. KFin Technologies Limited has been engaged to maintain the digital database of UPSI and monitor insider trading transactions by designated persons and their immediate relatives through their proprietary insider trading tool.

The Company also has adopted a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and the same is available at the Company's website: <https://himatsingka.com/investors/corporate-governance>



## 8) CEO/CFO CERTIFICATION

Pursuant to regulations 17(8), 33 and Schedule II Part B of the Listing Regulations, the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company are required to provide quarterly and annual certification of the financial statements to the Board. The Executive Vice Chairman & Managing Director and CFO have duly furnished the required certificate.

## 9) RECONCILIATION OF SHARE CAPITAL AUDIT

A qualified Practicing Company Secretary carries out quarterly Reconciliation of Share Capital to reconcile the Company's total admitted capital with the records of National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued and paid up capital is in agreement with the aggregate of total number of shares in physical form and dematerialized form with NSDL and CDSL.

## 10) COMPLIANCE CERTIFICATE

- The certificate regarding compliance of the conditions of corporate governance, obtained from Pramod S, Practicing Company Secretary (Membership Number: A36020 and COP: 13335), as stipulated under Schedule V(E) of the Listing Regulations is attached as **Annexure 7** to the Board's Report.
- A Certificate from Mr. Vivek Manjunath Bhat, Practicing Company Secretary (COP No. 8426) affirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is attached as **Annexure A** to this report.

## 11) TOTAL FEES PAID TO STATUTORY AUDITORS BY THE COMPANY AND ITS SUBSIDIARIES

The details of total fees paid during the year 2025-26 to MSKA & Associates LLP (formerly MSKA & Associates) Chartered Accountants, Statutory Auditors of the Company, for all services availed by the Company, its subsidiaries and all entities in the network firm/ network entity of which the statutory auditor is a part, on a consolidated basis, are enumerated below:

| (₹ in Lacs) |                                                                                       |                      |              |
|-------------|---------------------------------------------------------------------------------------|----------------------|--------------|
| Sl. No.     | Name of the Company                                                                   | Nature of Services   | Amount paid  |
| 1.          | Himatsingka Seide Limited                                                             | Statutory Audit Fees | 74.00        |
| 2.          | Himatsingka Seide Limited                                                             | Certification fees   | 4.50         |
| 3.          | Himatsingka Wovens Private Limited                                                    | Statutory Audit Fees | 1.00         |
| 4.          | Himatsingka America Inc.                                                              | Statutory Audit Fees | 20.00        |
| 5.          | Entities in the network firm/ network entity of which the statutory auditor is a part | NA                   | 0.00         |
|             | <b>Total</b>                                                                          |                      | <b>99.50</b> |

## 12) COMPLIANCE OFFICER

The name and designation of the Compliance Officer of the Company:

Ms. Bindu D., Assistant General Manager – Corporate Compliance & Company Secretary; Contact details: Tel: +91 80 42578000; Email: [investors@himatsingka.com](mailto:investors@himatsingka.com)

## 13) DISCLOSURES

### i) Subsidiary Companies

As on March 31, 2026, the Company had the following subsidiaries:

| Name of Subsidiaries               | Wholly owned Subsidiary | Material Subsidiary | Step down Subsidiary |
|------------------------------------|-------------------------|---------------------|----------------------|
| Himatsingka Wovens Private Limited | √                       | –                   | –                    |
| Himatsingka Holdings NA Inc.       | √                       | √                   | –                    |
| Himatsingka America Inc.*          | √                       | √                   | √                    |

\*Wholly owned Subsidiary of Himatsingka Holdings NA Inc.

Mr. Harminder Sahni, Non-Executive Independent Director, is a director on the Board of Himatsingka Holdings NA Inc. and Himatsingka America Inc. and the same is in compliance with the provisions of regulation 24 of the Listing Regulations.

The Audit Committee of the Company reviews the financial statements and in particular the investments made by unlisted subsidiaries of the Company.

The minutes of the Board meetings of unlisted subsidiaries are periodically placed before the Board of the Company. The Board is periodically informed of all significant transactions and arrangements entered into by the unlisted subsidiaries of the Company.

**Details regarding material Subsidiaries:**

| Name of material subsidiary  | Date of Incorporation | Place of Incorporation   | Name of Statutory Auditor                                                                        | Date of appointment of Statutory Auditor |
|------------------------------|-----------------------|--------------------------|--------------------------------------------------------------------------------------------------|------------------------------------------|
| Himatsingka Holdings NA Inc. | April 20, 2004        | United States of America | T. Ramachandran & Co., Chartered Accountants                                                     | February 12, 2026                        |
| Himatsingka America Inc.     | August 1, 2015        | United States of America | MSKA & Associates LLP, Chartered Accountants (formerly MSKA & Associates, Chartered Accountants) | October 3, 2025                          |

The web link of the policy for determining the material subsidiaries is <https://himatsingka.com/investors/corporate-governance>

**ii) Related party transactions**

The statutory disclosure requirements relating to related party transactions have been complied with in the Annual Accounts. There were no material transactions during the year 2025-26 that were prejudicial to the interests of the Company.

The web link of the policy on related party transactions is <https://himatsingka.com/investors/corporate-governance>

**iii) Disclosure of Accounting Treatment**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind- AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, read with Section 133 of the Companies Act, 2013.

**iv) Whistle Blower Policy**

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has framed a Vigil Mechanism/ Whistle Blower Policy and the same has also been placed on the website of the Company. The Whistle Blower policy is also displayed at the Notice Board of the Company and is made part of the induction programme as provided to employees in order to ensure that the same is well within the knowledge of the employees. The Company affirms that no personnel have been denied access to the Audit Committee. Whistle Blower Policy is available on the website of the Company - <https://himatsingka.com/investors/corporate-governance>

During the year, no grievance has been reported to the Audit Committee.

**v) Sexual Harassment of Women at Workplace**

The Company is committed to provide a safe and secure work environment to all its employees. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Therefore, any discrimination and/or harassment in any form are strictly prohibited.

The Company has in place a Prevention of Sexual Harassment Policy and an Internal Complaints Committee as per the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- number of complaints filed during the financial year 2025-26 - Nil
- number of complaints disposed of during the financial year 2025-26 - Nil
- number of complaints pending as on end of the financial year 2025-26 - Nil



**vi) Board Disclosures – Risk Management**

The risk assessment and minimization procedures are in place and the Board is regularly informed of the business risks and the steps taken to mitigate the same. A report on Risk Management forms part of the Management Discussion & Analysis section of the Annual Report.

**vii) Credit Rating:**

During the year, CRISIL Ratings Limited vide its letter dated September 5, 2025 has reaffirmed the credit rating for the bank facilities of the Company as given below:

| Particulars     | Ratings            |
|-----------------|--------------------|
| Long Term Debt  | CRISIL BBB+/Stable |
| Short Term Debt | CRISIL A2          |

Further, CRISIL Ratings Limited has vide communication dated July 10, 2026, reaffirmed the credit rating of the Company for the bank facilities as given below:

| Particulars     | Ratings                                               |
|-----------------|-------------------------------------------------------|
| Long Term Debt  | CRISIL BBB+ (Reaffirmed)<br>Outlook Revised: Negative |
| Short Term Debt | CRISIL A2 (Reaffirmed)                                |

The aforementioned rating can be accessed on the website of the Company: [https://www.himatsingka.com/investors/financial-reports?tab=credit\\_rating\\_tab](https://www.himatsingka.com/investors/financial-reports?tab=credit_rating_tab)

**viii) The terms and conditions of appointment of Independent Directors are posted on the website of the company:** <https://himatsingka.com/investors/corporate-governance>

**ix) The Management Discussion and Analysis report forms part of this Annual Report.**

**x) All the mandatory requirements have been duly complied with.**

**xi) Statutory Compliance, Penalties and Strictures**

The Company has complied with the requirements of the Stock Exchanges/ SEBI/ and other statutory authorities on all matters related to the capital markets during the last three years.

During the year 2023-24, BSE Limited and the National Stock Exchange of India Limited (NSE) had imposed fines on the Company for contravening the provisions of Regulation 17(1) of the Listing Regulations, 2015, for the quarters ending on March 31, 2023, and June 30, 2023, respectively. The Company had duly paid the fines and submitted a waiver application to the stock exchanges, which was pending review.

The Company's waiver application was considered partially favourable by the designated Exchange BSE Limited and the same has been adhered by NSE. Refund from both BSE Limited and NSE were received.

There were no other penalties or strictures imposed on the Company by the Stock Exchanges, the SEBI or any statutory authority on matters relating to capital markets.

**xii) During the year, Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.**

**xiii) During the year under review, the Board accepted all the recommendations of the Committees of the Board.**

**xiv) There are no loans and advances in the nature of loans to firms/companies in which directors are interested.**

#### 14) GENERAL CORPORATE AND SHAREHOLDER INFORMATION:

|                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Date of Incorporation</b>                                                                                                                                        | January 23, 1985                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Registered Address</b>                                                                                                                                           | No. 4/1-2, Crescent Road, Bengaluru-560 001                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Corporate Address</b>                                                                                                                                            | 10/24, Kumara Krupa Road, High Grounds, Bengaluru-560 001                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Corporate Identification Number (CIN)</b>                                                                                                                        | L17112KA1985PLC006647                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>ISIN</b>                                                                                                                                                         | INE049A01027                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Listing on Stock Exchanges</b>                                                                                                                                   | <p>BSE Limited<br/>Phiroze Jeejeebhoy Towers<br/>Dalal Street, Mumbai-400 001<br/>Scrip Code: 514043</p> <p>National Stock Exchange of India Limited<br/>Exchange Plaza, C-1, Block G<br/>Bandra Kurla Complex, Bandra (E), Mumbai-400 051<br/>Symbol: HIMATSEIDE</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Listing Fees</b>                                                                                                                                                 | Paid to BSE and NSE for 2026-27                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Custodial Fees</b>                                                                                                                                               | Central Depository Services (India) Limited paid for the year 2026-27<br>National Securities Depository Limited one-time fees paid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Annual General Meeting</b>                                                                                                                                       | Thursday, September 24, 2026 at 12:10 p.m. through VC/ OAVM                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Financial year</b>                                                                                                                                               | 1st April to 31st March                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Financial Calendar</b>                                                                                                                                           | <p>Board Meetings for approval of financial results and annual accounts:</p> <p>Q1 2026-27: August 12, 2026</p> <p>Q2 2026-27: October – November 14, 2026</p> <p>Q3 2026-27: January – February 14, 2026</p> <p>Q4 2026-27: April – May 30, 2027</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Stock Split</b>                                                                                                                                                  | 1 equity share of Rs. 10/- each split into 2 equity shares of Rs. 5/- each in October 2005.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Bonus History</b>                                                                                                                                                | <p>Year-1994 – 1:2</p> <p>Year-1999 – 1:1</p> <p>Year-2005 – 1:1</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Dividend payment date</b>                                                                                                                                        | On or before Friday, October 23, 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Share Transfer Agent</b>                                                                                                                                         | <p>KFin Technologies Limited</p> <p>Selenium Building, Tower-B, Plot No. 31 &amp; 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India-500 032 T: 1800 309 4001; WhatsApp Number: (91) 910 009 4099; Email: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a>; Website: <a href="https://ris.kfintech.com">https://ris.kfintech.com</a></p>                                                                                                                                                                                                                                                                                                                          |
| <b>Investors' correspondence may be addressed to</b>                                                                                                                | <p>Ms. Bindu D.</p> <p>Assistant General Manager – Corporate Compliance &amp; Company Secretary</p> <p>Himatsingka Seide Limited</p> <p>10/24, Kumara Krupa Road, High Grounds</p> <p>Bengaluru-560 001.</p> <p>T: +91 80 4257 8000;</p> <p>E: <a href="mailto:investors@himatsingka.com">investors@himatsingka.com</a></p>                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any Convertible instruments, conversion date and likely impact on equity</b> | <p>During the financial year 2023-24, the Company issued and allotted 12,500 Foreign Currency Convertible Bonds (FCCBs) with a face value of USD 1,000 each, aggregating to USD 12,500,000, to International Finance Corporation (IFC), in two tranches.</p> <p>The FCCBs are convertible into Equity Shares of the Company, at the option of IFC, at a conversion price subject to adjustments as per the terms of FCCB Agreement. The Company has issued equity shares to QIBs on October 30, 2024 at Rs. 146.60 per Equity Share.</p> <p>Upon conversion, Equity Shares will rank pari passu with the existing equity shares of the Company and shall be listed on BSE Limited and National Stock Exchange of India Limited.</p> |





## 15) UNCLAIMED DIVIDENDS

Pursuant to Section 125 of the Companies Act, 2013, dividends that remain unpaid/ unclaimed for a period of 7 (Seven) years from the date of transfer to the Unpaid Dividend Account are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF/ Fund). Given below are the dates of declaration of dividend and corresponding cut-off dates, by which unpaid/ unclaimed dividends are due for transfer to IEPF within the next 30 days:

| Year | Type of Dividend | Dividend per share (Rs.) | Date of declaration of Dividend | Due dates for claims before transfer to IEPF |
|------|------------------|--------------------------|---------------------------------|----------------------------------------------|
| 2019 | Final dividend   | 5.00                     | September 24, 2019              | October 30, 2026                             |
| 2020 | Final dividend   | 0.50                     | September 29, 2020              | November 04, 2027                            |
| 2021 | Final dividend   | 0.50                     | August 28, 2021                 | October 03, 2028                             |
| 2022 | Final dividend   | 0.50                     | September 28, 2022              | November 03, 2029                            |
| 2023 | Final dividend   | Nil                      | NA                              | NA                                           |
| 2024 | Final dividend   | 0.25                     | September 27, 2024              | November 02, 2031                            |
| 2025 | Final dividend   | 0.25                     | September 26, 2025              | November 01, 2032                            |

Members who have till date not claimed their dividend are requested to write to the Company/KFin Technologies Limited, STA to claim the same, on or before cut-off dates given above, to avoid transfer of the dividend to the IEPF. Members are advised that claims shall not lie against the Company for the amounts of dividend so transferred to the said Fund.

## 16) INFORMATION ON LISTED EQUITY SHARES

### i) Distribution of shareholding as on March 31, 2026

| Category (Amount) | No. of Shareholders | % of Shareholders | No. of Shares held  | Amount              | % of Shareholding |
|-------------------|---------------------|-------------------|---------------------|---------------------|-------------------|
| 1-5000            | 60159               | 89.8848           | 11167361            | 55836805            | 8.8811            |
| 5001-10000        | 3154                | 4.7125            | 4780309             | 23901545            | 3.8017            |
| 10001-20000       | 1750                | 2.6147            | 5071375             | 25356875            | 4.0331            |
| 20001-30000       | 705                 | 1.0534            | 3536578             | 17682890            | 2.8126            |
| 30001-40000       | 274                 | 0.4094            | 1960156             | 9800780             | 1.5589            |
| 40001-50000       | 224                 | 0.3347            | 2120026             | 10600130            | 1.686             |
| 50001-100000      | 364                 | 0.5439            | 5218421             | 26092105            | 4.1501            |
| 100001 & above    | 299                 | 0.4467            | 91888063            | 459440315           | 73.0765           |
| <b>Total</b>      | <b>66,929</b>       | <b>100.00</b>     | <b>12,57,42,289</b> | <b>62,87,11,445</b> | <b>100.00</b>     |

### ii) Shareholding Pattern as on March 31, 2026

| Particulars                     | No. of shares    |                    |                | %     |
|---------------------------------|------------------|--------------------|----------------|-------|
|                                 | Physical Holding | Electronic Holding | Total Holdings |       |
| Individual Promoters            | 0                | 2,65,84,024        | 2,65,84,024    | 21.14 |
| Promoters Bodies Corporate      | 0                | 2,02,50,568        | 2,02,50,568    | 16.10 |
| Promoter Group                  | 0                | 2,94,862           | 2,94,862       | 0.23  |
| Mutual Funds                    | 0                | 2,424              | 2,424          | 0.00  |
| Alternative Investment Fund     | 0                | 70,35,936          | 70,35,936      | 5.60  |
| Banks                           | 2,000            | 400                | 2,400          | 0.00  |
| Insurance Companies             | 0                | 67,285             | 67,285         | 0.05  |
| NBFC                            | 0                | 5,500              | 5,500          | 0.00  |
| Foreign Portfolio- Corp         | 0                | 1,39,55,750        | 1,39,55,750    | 11.10 |
| Foreign Institutional Investors | 400              | 0                  | 400            | 0.00  |
| IEPF                            | 0                | 4,25,773           | 4,25,773       | 0.34  |

|                                     |                 |                     |                     |               |
|-------------------------------------|-----------------|---------------------|---------------------|---------------|
| Resident Individuals                | 2,14,349        | 4,61,52,051         | 4,63,66,400         | 36.87         |
| Non-Resident Indians                | 89,340          | 16,17,984           | 17,07,324           | 1.36          |
| Non-Resident Indian Non Repatriable | 0               | 5,43,669            | 5,43,669            | 0.43          |
| Bodies Corporates                   | 6,900           | 60,56,287           | 60,63,187           | 4.82          |
| Clearing Members                    | 0               | 500                 | 500                 | 0.00          |
| HUF                                 | 0               | 22,33,087           | 22,33,087           | 1.78          |
| Trusts                              | 0               | 2,00,000            | 2,00,000            | 0.16          |
| Foreign Bank                        | 0               | 3200                | 3200                | 0.00          |
| <b>Total</b>                        | <b>3,12,989</b> | <b>12,54,29,300</b> | <b>12,57,42,289</b> | <b>100.00</b> |
| %                                   | 0.25            | 99.75               | 100.00              |               |

### iii) Dematerialization of shares and liquidity

The equity shares of the Company are available for dematerialization (Demat) with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The equity shares of the Company have been notified by SEBI for settlement only in the Demat form for all investors from March 21, 2000.

As on March 31, 2026, 99.75% of the Company's share capital is in Demat form and the rest 0.25% is in Physical form. The equity shares of the Company are regularly traded on the National Stock Exchange of India Limited and BSE Limited.

Shares held in Demat and Physical mode as on March 31, 2026:

| Category           | Number of     |                     | % to total equity |
|--------------------|---------------|---------------------|-------------------|
|                    | Shareholders  | Shares              |                   |
| Demat              |               |                     |                   |
| NSDL               | 25,355        | 10,06,38,079        | 80.03             |
| CDSL               | 41,397        | 2,47,91,221         | 19.72             |
| <b>Total</b>       | <b>66,752</b> | <b>12,54,29,300</b> | <b>99.75</b>      |
| Physical           | 177           | 3,12,989            | 0.25              |
| <b>Grand Total</b> | <b>66,929</b> | <b>12,57,42,289</b> | <b>100.00</b>     |

## 17) PLANT LOCATIONS

| Plant Location                  | Products Category      |
|---------------------------------|------------------------|
| Doddaballapur, Karnataka, India | Home Textiles          |
| Hassan, Karnataka, India        | Home Textiles and Yarn |

## 18) SERVICE OF DOCUMENTS THROUGH ELECTRONIC MODE

As part of the green initiative, the members who wish to receive documents like Notice convening the general meetings, Financial Statements, Board's Report, Auditors Report etc., through e-mail, may kindly update their e-mail address with the Company/Registrar (for shares held in physical form) and with Depository Participants (for shares held in dematerialized form) in the manner provided in the notes forming part of the notice.

## 19) COMMODITY PRICE RISK/ FOREIGN EXCHANGE RISK AND HEDGING ACTIVITY

The description form part of the notes to the Standalone financial statements of the Company.

## 20) OTHER INFORMATION TO SHAREHOLDERS

- Equity shares of the Company are under compulsory demat trading by all investors, with effect from March 21, 2000. Considering the advantages of scripless trading, shareholders are requested, in their own interest, to consider de-materialisation of their shareholding so as to avoid inconvenience in future.
- Shareholders/Beneficial Owners are requested to quote their Registered Folio No./DP & Client ID, as the case may be, in all correspondence with the STA/ Company. Company has also designated an exclusive E-mail ID: [investors@himatsingka.com](mailto:investors@himatsingka.com) for effective investors' services where they can complain/ raise query and request for speedy and prompt redressal.

- Shareholders holding shares in physical form are requested to notify to the STA/ Company, change in their address/ Bank Account details promptly by sending duly filled in Form ISR-1 alongwith the supporting documents.
- Beneficial Owners of shares in demat form are requested to send their instructions regarding change of name, bank details, nomination, power of attorney, etc., directly to their Depository Participants only.
- Non-resident members are requested to immediately notify the following to the Company in respect of shares held in physical form and to their Depository Participants in respect of shares held in dematerialized form:
  - Indian address for sending all communications, if not provided so far;
  - Change in their residential status on return to India for permanent settlement;
  - Particulars of the Bank Account maintained with a bank in India, if not furnished earlier; and
  - E-mail ID and Fax No.(s), if any
- In case of loss/ misplacement of shares, investors should immediately lodge FIR/Complaint with the Police, if applicable and inform to the Company along with original or certified copy of FIR/ Acknowledged copy of the Police complaint.
- Shareholders are requested to record their specimen signature before lodgement of shares with the Company to obviate the possibility of difference in signature at a later date.
- Shareholders of the Company, who have multiple accounts in identical names(s) or holding more than one Share Certificate in the same name under different Ledger Folio(s), are requested to apply for consolidation of such Folio(s) and send the relevant Share Certificates to the Company.
- Section 72 of the Act extends nomination facility to all members. Shareholders, in particular those holding shares in single name, may avail of the above facility by furnishing the particulars of their nominations in the Form SH-13. However, shareholders who wish to opt out of the nomination facility may do so by submitting Form ISR-3.
- Shareholders are requested to give their valuable suggestions for improvement of the Company's investor services.

• **Special window for Shareholders for Re-lodgement of Transfer Requests of Physical Shares:**

Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-POD/P/CIR/2025/97 dated July 2, 2025, a Special Window was opened for period of six (6) months, from July 7, 2025 to January 6, 2026, for the re-lodgement of transfer requests of physical shares.

Further, Pursuant to SEBI Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, a second Special Window has been opened from February 5, 2026 to February 4, 2027.

This facility is available for transfer deeds lodged prior to April 1, 2019 that were rejected/ returned/ not attended due to deficiencies in documents/ process/ or otherwise. All such securities re-lodged during this period (including pending cases) shall be issued only in demat mode.

The same has been communicated through newspaper advertisement, update on website of the Company and social media.

Investors who have missed the earlier deadline may submit the necessary documents to KFin Technologies Limited at Selenium Tower B, Plot Nos. 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 Tel: 1800 309 4001, Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

• **“Saksham Niveshak” 100-Day Campaign- for shareholders**

The Company had initiated the “Saksham Niveshak” 100-Day Campaign, from July 28, 2025 to November 6, 2025.

Further, the Company initiated the Second 100-Day Campaign titled “Saksham Niveshak”, which commenced on April 1, 2026 and concluded on July 9, 2026.

Purpose of the Niveshak Shivir - Campaign:

- to resolve issues related to unclaimed dividends and shares.
- to update KYC and nomination details.
- to promote transparency and investor empowerment by ensuring direct claims processing.

and enable

- shareholders to claim unclaimed dividends
- to activate accounts and thereby mitigate transfer of shares/ dividends to the IEPF due to inactivity
- to encourage shareholders to update their KYC details (PAN, bank details, contact info, nomination)

The same has been communicated through website of the Company and social media.

Shareholders are requested to check your unclaimed dividend details on our website: [https://www.himatsingka.com/investors/shareholder-information?tab=dividend\\_tab](https://www.himatsingka.com/investors/shareholder-information?tab=dividend_tab) or IEPF's Website: <https://iepf.gov.in/login#> and update KYC with STA at: KFin Technologies Limited, Unit: Himatsingka Seide Limited, Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India -500032 T: 1800 309 4001; WhatsApp Number: (91) 910 009 4099; Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com); Website: <https://ris.kfintech.com>

## 21) MANDATORY/NON-MANDATORY REQUIREMENTS

The Company has complied with the requirements as laid down in Regulations 17 to 27, Schedule V under Regulation 34(3) and Regulation 46 of the Listing Regulations for the purpose of Corporate Governance. With regard to adoption of non-mandatory requirements as specified in Part E of Schedule II of the Listing Regulations, we hereby state that the Company's Chairman is an Executive Director. The Chairman is not the Managing Director/ Chief Executive Officer. The Internal Auditors report directly to the Audit Committee.

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**Place: Bengaluru**  
**Date : August 25, 2026**

**Shrikant Himatsingka**  
Executive Vice Chairman &  
Managing Director  
DIN: 00122103

**Dinesh Kumar Himatsingka**  
Executive Chairman  
DIN: 00139516

## DECLARATION ON CODE OF CONDUCT

As provided under Schedule V(D) of the Listing Regulations, the Board of Directors and Senior Management Personnel have affirmed compliance with the Himatsingka Seide Limited's Code of Conduct for the financial year ended March 31, 2026.

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**Place: Bengaluru**  
**Date : August 25, 2026**

**Shrikant Himatsingka**  
Executive Vice Chairman &  
Managing Director  
DIN: 00122103

**Dinesh Kumar Himatsingka**  
Executive Chairman  
DIN: 00139516





## Annexure- A

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members,  
Himatsingka Seide Limited  
No. 4/1-2, Crescent Road  
Bangalore G.P.O., Bangalore-560 001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Himatsingka Seide Limited** having CIN: L17112KA1985PLC006647 and having registered office at No. 4/1-2, Crescent Road, Bangalore G.P.O., Bangalore-560 001 (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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Companies Act, 2013.

My responsibility is to express an opinion on these based on my verification. 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](http://www.mca.gov.in)) 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 ended on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sl. No. | Name of the Director     | DIN      |
|---------|--------------------------|----------|
| 01      | DINESH KUMAR HIMATSINGKA | 00139516 |
| 02      | SHRIKANT HIMATSINGKA     | 00122103 |
| 03      | HARMINDER SAHNI          | 00576755 |
| 04      | SANDHYA VASUDEVAN        | 00372405 |
| 05      | RAVI KUMAR               | 02362615 |
| 06      | MANISH KRISHNARAO JOSHI  | 06532127 |

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

Place: Bengaluru  
Date : May 27, 2026

**Vivek Manjunath Bhat**  
Practicing Company Secretary  
Membership Number: F7708  
COP: 8426  
PR No: 1482/2021  
UDIN: F007708H000507108

## Business Responsibility & Sustainability Report (BRSR)

### SECTION A: GENERAL DISCLOSURES

#### 1) DETAILS OF THE LISTED ENTITY

|     |                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                               |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.  | Corporate Identity Number (CIN) of the Listed Entity                                                                                                                                                                                                                 | L17112KA1985PLC006647                                                                                                                                                                                                                                         |
| 2.  | Name of the Listed Entity                                                                                                                                                                                                                                            | Himatsingka Seide Limited                                                                                                                                                                                                                                     |
| 3.  | Year of incorporation                                                                                                                                                                                                                                                | 1985                                                                                                                                                                                                                                                          |
| 4.  | Registered office address                                                                                                                                                                                                                                            | No. 4/1-2, Crescent Road, Bangalore, India - 560001                                                                                                                                                                                                           |
| 5.  | Corporate address                                                                                                                                                                                                                                                    | #10/24, Kumarakrupa Road, High Grounds, Bengaluru-560 001                                                                                                                                                                                                     |
| 6.  | E-mail                                                                                                                                                                                                                                                               | <a href="mailto:investors@himatsingka.com">investors@himatsingka.com</a>                                                                                                                                                                                      |
| 7.  | Telephone                                                                                                                                                                                                                                                            | 91-80-42578000                                                                                                                                                                                                                                                |
| 8.  | Website                                                                                                                                                                                                                                                              | <a href="http://www.himatsingka.com/">http://www.himatsingka.com/</a>                                                                                                                                                                                         |
| 9.  | Financial year for which reporting is being done                                                                                                                                                                                                                     | 2025-26                                                                                                                                                                                                                                                       |
| 10. | Name of the Stock Exchange(s) where shares are listed                                                                                                                                                                                                                | National Stock Exchange of India Limited<br>BSE Limited                                                                                                                                                                                                       |
| 11. | Paid-up Capital                                                                                                                                                                                                                                                      | ₹ 62.87 Crores                                                                                                                                                                                                                                                |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report                                                                                                                                     | Ms. Bindu D.<br>Company Secretary,<br>Himatsingka Seide Limited,<br>Registered office: No. 4/1-2, Crescent Road, Bangalore, India - 560001<br>Telephone: +91 80 2237 8000;<br>Email: <a href="mailto:investors@himatsingka.com">investors@himatsingka.com</a> |
| 13. | Reporting boundary<br>Are the disclosures under this report made on a stand-alone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | Standalone                                                                                                                                                                                                                                                    |
| 14. | Name of assurance provider                                                                                                                                                                                                                                           | Not Applicable                                                                                                                                                                                                                                                |
| 15. | Type of assurance obtained                                                                                                                                                                                                                                           | Not Applicable                                                                                                                                                                                                                                                |

#### 2) PRODUCTS/ SERVICES

Details of business activities (accounting for 90% of the turnover):

| Sl. No. | Description of main activity | Description of business activity | % of turnover of the entity |
|---------|------------------------------|----------------------------------|-----------------------------|
| 1.      | Home Linens                  | Home Textile – Manufacturing     | 95%                         |

#### 3) PRODUCTS/SERVICES SOLD BY THE ENTITY (ACCOUNTING FOR 90% OF THE ENTITY'S TURNOVER):

| Sl. No. | Product/ Service | NIC Code | % of total turnover contributed |
|---------|------------------|----------|---------------------------------|
| 1.      | Home Linens      | 131;139  | 95%                             |

#### 4) NUMBER OF LOCATIONS WHERE PLANTS AND/ OR OPERATIONS/ OFFICES OF THE ENTITY ARE SITUATED:

| Location      | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National      | 4                | 2                 | 6     |
| International | 0                | 2                 | 2     |



## 5) MARKETS SERVED BY THE ENTITY:

### a) Number of locations

| Locations                        | Number |
|----------------------------------|--------|
| National (No. of States)         | 28     |
| International (No. of Countries) | 42     |

### b) What is the contribution of exports as a percentage of the total turnover of the entity?

- Export Revenue (sale of products): ₹ 14,69,31,64,670.00 representing 86.17 % of total revenue.

### c) A brief on types of customers

Himatsingka is an integrated global textile major that designs, develops, manufactures, distributes and retails a suite of home textile products. Our installed capacities for manufacturing bedding products, bath products, drapery & upholstery products, fine-count cotton yarn products and fabrics are amongst the largest in the world.

Our clients cater to a diverse cross section of consumers and hence our product portfolio is in keeping with the demand of millions of consumers across India and major international markets. Himatsingka brings to consumers an unparalleled suite of products and technology led solutions that cater to dynamic consumer preferences globally. Himatsingka caters to a broad cross section of global clients across 42 countries. Our global client base includes regional retail majors as well as institutions and small client groups. Our clients are present across retail formats including Department Stores, Specialty Stores, Hypermarkets, Retail Clubs, multi brand outlets and dot com platforms.

## 6) EMPLOYEES

Details as at the end of the Financial Year:

### a) Employees and workers (including differently abled):

| S. No     | Particulars              | Total<br>(A) | Male   |           | Female  |           | Transgender |           |
|-----------|--------------------------|--------------|--------|-----------|---------|-----------|-------------|-----------|
|           |                          |              | No.(B) | % (B / A) | No. (C) | % (C / A) | No. (H)     | % (H / A) |
| EMPLOYEES |                          |              |        |           |         |           |             |           |
| 1.        | Permanent (D)            | 838          | 762    | 91%       | 76      | 9%        | 0           | 0         |
| 2.        | Other than Permanent (E) | 0            | 0      | 0         | 0       | 0         | 0           | 0         |
| 3.        | Total employees (D + E)  | 838          | 762    | 91%       | 76      | 9%        | 0           | 0         |
| WORKERS   |                          |              |        |           |         |           |             |           |
| 4.        | Permanent (F)            | 4446         | 2934   | 66%       | 1512    | 34%       | 0           | 0         |
| 5.        | Other than Permanent (G) | 948          | 703    | 74%       | 245     | 26%       | 0           | 0         |
| 6.        | Total workers (F + G)    | 5394         | 3637   | 67%       | 1757    | 60%       | 0           | 0         |

### b) Differently-abled Employees and workers

| Sl. No.                     | Particulars                               | Total<br>(A) | Male    |           | Female  |           |
|-----------------------------|-------------------------------------------|--------------|---------|-----------|---------|-----------|
|                             |                                           |              | No. (B) | % (B / A) | No. (C) | % (C / A) |
| DIFFERENTLY ABLED EMPLOYEES |                                           |              |         |           |         |           |
| 1.                          | Permanent (D)                             | 1            | 1       | 100%      | 0       | 0%        |
| 2.                          | Other than Permanent (E)                  | 0            | 0       | 0%        | 0       | 0%        |
| 3.                          | Total differently abled employees (D + E) | 1            | 1       | 100%      | 0       | 0%        |
| DIFFERENTLY ABLED WORKERS   |                                           |              |         |           |         |           |
| 4.                          | Permanent (F)                             | 31           | 22      | 71%       | 9       | 29%       |
| 5.                          | Other than permanent (G)                  | 0            | 0       | 0%        | 0       | 0%        |
| 6.                          | Total differently abled workers (F + G)   | 31           | 22      | 71%       | 9       | 29%       |

## 7) PARTICIPATION/ INCLUSION/ REPRESENTATION OF WOMEN

|                                                                 | Total<br>(A) | No. and percentage of Female |           |
|-----------------------------------------------------------------|--------------|------------------------------|-----------|
|                                                                 |              | No. (B)                      | % (B / A) |
| Board of Directors                                              | 6            | 1                            | 16.67%    |
| Key Management Personnel<br>(including two executive directors) | 4            | 1                            | 25%       |

## 8) TURNOVER RATE FOR PERMANENT EMPLOYEES AND WORKERS

|                     | FY 2025-26 |        |        | FY 2024-25 |        |        | FY 2023-24 |        |       |
|---------------------|------------|--------|--------|------------|--------|--------|------------|--------|-------|
|                     | Male       | Female | Total  | Male       | Female | Total  | Male       | Female | Total |
| Permanent Employees | 11%        | 9%     | 20%    | 10%        | 9%     | 19%    | 11%        | 10%    | 21%   |
| Permanent Workers   | 18.33%     | 12.98% | 31.31% | 13.67%     | 18.34% | 32.01% | 15.55%     | 20.95% | 36.5% |

## 9) HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

### a) Names of holding / subsidiary / associate companies / joint ventures

| Sl. No. | Name of the holding / subsidiary / associate companies / joint ventures (A)                        | Indicate whether holding / Subsidiary/ Associate/ Joint Venture | % of shares held by listed Entity | Does the entity indicated at column (A) participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---------|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| 1)      | Himatsingka Wovens Private Limited                                                                 | Wholly owned subsidiary                                         | 100                               | No                                                                                                                            |
| 2)      | Himatsingka Holdings N A Inc.                                                                      | Wholly owned subsidiary                                         | 100                               | No                                                                                                                            |
| 3)      | Himatsingka America Inc.                                                                           | Step down wholly owned subsidiary                               | 100                               | No                                                                                                                            |
| 4)      | AMPIN Energy C&I Twenty-Four Private Limited (formerly AMP Energy C&I Twenty Four Private Limited) | Associate Company                                               | 47.30                             | No                                                                                                                            |

## 10) CSR DETAILS

- Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/ No) – Yes
- Turnover (2025-2026) (in ₹) : 1,882.39 Crores
- Net worth (2025-2026) (in ₹) : 2,335.23 Crores



## 11) TRANSPARENCY AND DISCLOSURES COMPLIANCES

Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines for Responsible Business Conduct (“NGRBC”):

| Stakeholder group from whom complaint is received | Grievance redressal mechanism in place (Yes/ No)                                     | FY 2025-26<br>Current Financial Year       |                                                              |                                               | FY 2024-25<br>Previous Financial Year      |                                                              |                                                |
|---------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------------|-----------------------------------------------|--------------------------------------------|--------------------------------------------------------------|------------------------------------------------|
|                                                   |                                                                                      | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks                                       | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks                                        |
| Communities                                       | Yes<br>Human Resource<br>Internal Grievance Committee                                | –                                          | –                                                            | –                                             | –                                          | –                                                            | –                                              |
| Investors (other than shareholders)               | Yes<br>Head Investor Relations                                                       | –                                          | –                                                            | –                                             | –                                          | –                                                            | –                                              |
| Shareholders                                      | Yes<br>Company Secretary & Compliance Officer                                        | 49                                         | 0                                                            | All the complaints were attended and resolved | 34                                         | 0                                                            | All the complaints were attended and resolved  |
| Employees and workers                             | Yes<br>Human Resource (“HR”) Business Partners                                       | 56                                         | 0                                                            | All the complaints were attended and resolved | 68                                         | 0                                                            | All the complaints were attended and resolved  |
| Customers                                         | Yes<br>Marketing department                                                          | 3                                          | 0                                                            | All the complaints were attended and resolved | 4                                          | 0                                                            | All the complaints were attended and resolved. |
| Value Chain Partners                              | Yes<br>Suppliers– Central procurement SPOC<br>Channel Partners – Sales Brand Manager | –                                          | –                                                            | –                                             | –                                          | –                                                            | –                                              |

Note: <https://www.himatsingka.com/investors/corporate-governance>

## 12) OVERVIEW OF THE ENTITY’S MATERIAL RESPONSIBLE BUSINESS CONDUCT ISSUES

We indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

The materiality assessment focusses on identifying and ranking the most important business conduct and sustainability issues that the business should target to maximize value of the Company and its stakeholders. These issues are identified based on careful research, insights generated from operations and meaningful engagement with stakeholders. All the major stakeholder groups are represented, including employees, investors, customers, communities and suppliers as well as regulators.

| Sl. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity                                                                                                                                                                                                                                        | In case of risk, approach to adapt or mitigate                                                                                                                                                                                                                                                                                  | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|---------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 1.      | Emissions and Air Quality | Opportunity                                | <ul style="list-style-type: none"> <li>Increased Utilization of natural resources in the form of renewable energy to reduce the conventional energy consumption.</li> <li>Changes in existing regulations / emerging regulations impacting emissions &amp; Energy Management</li> </ul> | We are actively reducing our carbon footprint by adopting cleaner processes, while increasing renewable energy and resource efficiencies.                                                                                                                                                                                       | Positive                                                                                       |
| 2.      | Water Stewardship         | Opportunity                                | <ul style="list-style-type: none"> <li>Cost-Reduction through efficient Water Conservation measures</li> </ul>                                                                                                                                                                          | Himatsingka operates best-in-class Zero Liquid Discharge (ZLD) water management plants across all its manufacturing facilities. Our water management facilities maximize water re-cycling using advanced technology platforms. In addition, we take several measures in water harvesting and rejuvenation of water sources.     | Positive                                                                                       |
| 3.      | Energy Efficiency         | Opportunity                                | <ul style="list-style-type: none"> <li>Lower Carbon Footprint</li> <li>Cost-Reduction</li> <li>Usage of Renewable energy sources</li> </ul>                                                                                                                                             | HSL is working continuously for Energy Saving measures and optimizing system efficiency. We continue to increase the share of renewable energy to further our climate goals.                                                                                                                                                    | Positive                                                                                       |
| 4.      | Waste Management          | Opportunity                                | <ul style="list-style-type: none"> <li>Environmental pollution.</li> <li>Cost-Reduction through recycling</li> </ul>                                                                                                                                                                    | Himatsingka is leading the way in reducing waste by operating a zero-paper shop floor, reducing the use of plastics, introducing sustainable packaging solutions and reusing waste<br>Our 'conscious portfolio' innovatively uses recycled fibers, natural finishes and reduced water consumption in the manufacturing process. | Positive                                                                                       |

|    |                                   |                    |                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                          |          |
|----|-----------------------------------|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| 5. | Occupational health and safety    | Risk               | <ul style="list-style-type: none"> <li>Accidents involving significant injuries, loss of life or damage to equipment/ facilities.</li> </ul>                                    | Regular training programs and employee workshops are consistently conducted to communicate safety protocols and requirements. In addition to this our manufacturing facilities are subject to various audits and are certified by various bodies to ensure best in class adherence to occupational health and safety standards.                                                                          | Negative |
| 6. | Client and market concentration   | Risk & Opportunity | <ul style="list-style-type: none"> <li>Concentration of revenue streams from a few large clients and markets.</li> </ul>                                                        | HSL is constantly diversifying its market presence and broad basing its global client base in order to de-risk revenue streams. Currently North America is the largest market for HSL. However our increasing presence in other regions such as the UK, EMEA, India and the Asia Pacific will aid in broad basing revenue streams and diversifying risk.                                                 | Positive |
| 7. | Business Ethics and Integrity     | Opportunity        | <ul style="list-style-type: none"> <li>New and changing regulatory compliance, corporate governance and public disclosure requirements ensure compliance of policies</li> </ul> | Himatsingka endeavors to achieve the highest standards of ethical conduct and compliance across all its businesses and facilities. With exacting policies, industry leading training programs, internal monitoring and auditing systems, we are equipped to provide our businesses with the requisite frameworks that ensure a high degree of ethics and integrity in the daily conduct of our business. | Positive |
| 8. | Employee Development & Engagement | Opportunity        | <ul style="list-style-type: none"> <li>Attracting and retaining talent could affect the organization's ability to meet its growth aspirations.</li> </ul>                       | All HR policies are benchmarked with the industry best practices. Employee surveys are regularly carried out. Trainings are provided to employees based on a training calendar.                                                                                                                                                                                                                          | Positive |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions                                                                                               | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|--------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Policy and management processes                                                                                    |     |     |     |     |     |     |     |     |     |
| 1) a) Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No) | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |   |   |   |   |   |   |   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|---|---|---|---|
| b) Has the policy been approved by the Board? (Yes/No)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Y                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Y | Y | Y | Y | Y | Y | Y | Y |
| c) Web Link of the Policies, if available**                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <a href="https://www.himatsingka.com/investors/corporate-governance">https://www.himatsingka.com/investors/corporate-governance</a><br>The links above include various policies that cover the above principles.<br>Internal policies of the Company are accessible to all internal stakeholders                                                                                                                                                                                                                                                                                                                                                    |   |   |   |   |   |   |   |   |
| 2) Whether the entity has translated the policy into procedures. (Yes / No)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Y                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Y | Y | Y | Y | Y | Y | Y | Y |
| 3) Do the enlisted policies extend to your value chain partners? (Yes/No)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | No, the policies have been formally communicated to all relevant internal and external stakeholders                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |   |   |   |   |   |   |   |   |
| 4. Name of the national and international codes / certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |   |   |   |   |   |   |   |
| Principle 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | The manufacturing locations are certified for requirements under Fairtrade, ISO 14001 (environment management system) and OHSAS 18001 (Occupational Health and Safety System).                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |   |   |   |   |   |   |   |   |
| Principle 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |   |   |   |   |   |   |   |
| Principle 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |   |   |   |   |   |   |   |
| Principle 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |   |   |   |   |   |   |   |
| Principle 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |   |   |   |   |   |   |   |
| Principle 6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |   |   |   |   |   |   |   |
| Principle 7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |   |   |   |   |   |   |   |
| Principle 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |   |   |   |   |   |   |   |
| Principle 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |   |   |   |   |   |   |   |
| 5. Specific commitments, and targets set by the entity with defined timelines, if any.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>SUSTAINABILITY GOALS</b> <ul style="list-style-type: none"><li>– Carbon neutral by 2035</li><li>– 100% renewable energy by 2027</li><li>– All manufacturing facilities to be ZWL-certified</li><li>– Operate Zero Liquid Discharge (ZLD) water management plants across manufacturing facilities</li></ul>                                                                                                                                                                                                                                                                                                                                       |   |   |   |   |   |   |   |   |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"><li>• The company successfully operates Zero Liquid Discharge (ZLD) Water Management Plants across Manufacturing Facilities - All our manufacturing facilities are ZLD compliant – Scope 1 and Scope 2 , goals have been identified and the roadmap along with action plan has been put in place.</li><li>• 100% Renewable Energy by 2027 – The Company has a target to achieve 30% of the goal. The roadmap for implementation is in place.</li><li>• Operate Zero Liquid Discharge (ZLD) Water Management Plants across Manufacturing Facilities – All our manufacturing facilities are ZLD compliant</li></ul> |   |   |   |   |   |   |   |   |
| <b>Governance, leadership and oversight</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |   |   |   |   |   |   |   |
| <b>7. Statement by director responsible for the business responsibility report, highlighting Environmental, Social &amp; Governance (“ESG”) related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</b><br><br>“We believe good ESG stewardship begins with transformative change and accountability. Himatsingka has put in place sustainable practices and set ESG goals to demonstrate its deep commitment to people and planet.” – Shrikant Himatsingka, Executive Vice Chairman & Managing Director.<br><br>Guided by our brand essence ‘Inspired Excellence’, we take every idea to its full potential. This applies to how we think about the environment, our social responsibility and governance.<br><br><b>Embracing sustainability is at the core of our business and we are committed to taking every measure that will help make us be a more sustainable global enterprise.</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |   |   |   |   |   |   |   |   |





**ENVIRONMENT**

Developing and implementing sustainable business models is the most important and urgent challenge the world faces today. Himatsingka is committed to participating and contributing to the transformative journey that global value chains, across industries have to embark upon to create a more sustainable world. We are determined to take initiatives that help promote sustainable businesses.

**SOCIAL**

At Himatsingka, Our Purpose is to 'Make Better Lives Possible'. This philosophy guides us in our actions, both at the workplace and beyond. We are committed to creating a work environment that epitomizes employee engagement and promotes diversity and inclusion. We are equally committed to working with communities around us to empower women, enable education, facilitate sanitation, healthcare services and drive skill development.

**GOVERNANCE**

Our strong and transparent governance framework helps us to meet the requirements and expectations of a cross section of stakeholders. We are continuously building on our existing processes, policies and frameworks to achieve the highest standards of governance in all spheres of our businesses.

**Himatsingka is committed to making ESG central to its operating philosophy and has put in place initiatives that position it to lead the ESG journey in the times to come.**

**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies**

Mr. Shrikant Himatsingka, Executive Vice Chairman & Managing Director  
DIN: 00122103

**9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**

Yes. The Company entrusts its Executive Directors with the responsibility of overseeing the implementation of policies. They conduct joint assessments to thoroughly examine environmental and social issues and their potential impact on the business. Based on these assessments, they chart a course of action to effectively deal with the identified challenges.

**10. Details of Review of NGRBCs by the Company:**

| Subject for Review                                                                                               | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee |     |     |     |     |     |     |     |     | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) |     |     |     |     |     |     |     |     |
|------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|--------------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
|                                                                                                                  | P 1                                                                                              | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1                                                                      | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| Performance against above policies and follow up action                                                          |                                                                                                  |     |     |     |     |     |     |     |     |                                                                          |     |     |     |     |     |     |     |     |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | Yes                                                                                              |     |     |     |     |     |     |     |     |                                                                          |     |     |     |     |     |     |     |     |

**11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency?**

|                                                                    |     |     |     |     |     |     |     |     |
|--------------------------------------------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|
| P 1                                                                | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| Periodical assessment by SMETA (Sedex Members Ethical Trade Audit) |     |     |     |     |     |     |     |     |

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

| Questions                                                                                                                         | P 1            | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------|-----|-----|-----|-----|-----|-----|-----|-----|
| The entity does not consider the Principles material to its business (Yes / No)                                                   | Not Applicable |     |     |     |     |     |     |     |     |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes / No) |                |     |     |     |     |     |     |     |     |
| The entity does not have the financial or/human and technical resources available for the task (Yes / No)                         |                |     |     |     |     |     |     |     |     |
| It is planned to be done in the next financial year (Yes / No)                                                                    |                |     |     |     |     |     |     |     |     |
| Any other reason (please specify)                                                                                                 |                |     |     |     |     |     |     |     |     |

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

| Essential Indicators                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                            |
|------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| <b>1) Percentage coverage by training and awareness programmes on any of the Principles during the financial year:</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                            |
| Segment                                                                                                                | Total number of training and awareness programmes held                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Topics / principles covered under the training and its impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | %age of persons in respective category covered by the awareness Programmes |
| Board of Directors ('BoD')                                                                                             | The Board members/ KMPs are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. In addition, presentations are made at the Board and Committee Meetings on the performance of the Company along with subsidiaries and quarterly updates on relevant statutory changes. Independent Directors are presented with details of the company including the culture of Himatsingka and various milestones since the Company's incorporation. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 100%                                                                       |
| Key Managerial Personnel ("KMPs")                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                            |
| Employees other than BoD and KMPs                                                                                      | 20                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <ol style="list-style-type: none"> <li>1. Awareness of Compliance</li> <li>2. Fire Fighting &amp; Fire Prevention</li> <li>3. Chemical Handling &amp; Safety</li> <li>4. First Aid &amp; CPR</li> <li>5. Use &amp; Importance of PPE</li> <li>6. Electrical Safety/ Safe use of Electrical Appliances</li> <li>7. On-site Emergency &amp; Rescue Operations</li> <li>8. Environment Sustainability Compliance Awareness</li> <li>9. Sustainability Compliance &amp; Awareness</li> <li>10. Policies &amp; Procedures Awareness</li> <li>11. POSH</li> </ol> | 100%                                                                       |
| Workers                                                                                                                | 15-20 days in a month in different sections like class room, floor, tool box talk, hands on training, practical demonstrations, skill enhancement trainings etc                                                                                                                                                                                                                                                                                                                                                                          | <ol style="list-style-type: none"> <li>1. Induction training for workers – 100% covering operational, safety, compliance, payroll related information including security training.</li> <li>2. Other technical trainings such as machines, SOP, skill development, tailoring related, weaving related, operations related. Back up – Training Manual</li> <li>3. Freshers are provided with Technical trainings</li> </ol>                                                                                                                                  | 100%                                                                       |

### 2) Details of fines / penalties /punishment/ award/ compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

| Monetary        |                 |                                                                     |                   |                                        |                                         |
|-----------------|-----------------|---------------------------------------------------------------------|-------------------|----------------------------------------|-----------------------------------------|
|                 | NGRBC Principle | Name of the regulatory/ Enforcement agencies/ judicial institutions | Amount (In INR)   | Brief of the Case                      | Has an appeal been preferred? (Yes/ No) |
| Penalty / Fine  |                 |                                                                     | Nil               |                                        |                                         |
| Settlement      |                 |                                                                     |                   |                                        |                                         |
| Compounding fee |                 |                                                                     |                   |                                        |                                         |
| Non-Monetary    |                 |                                                                     |                   |                                        |                                         |
|                 | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) |                                         |
| Imprisonment    |                 |                                                                     | Nil               |                                        |                                         |
| Punishment      |                 |                                                                     |                   |                                        |                                         |



3) Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the regulatory / enforcement agencies / judicial institutions |
|--------------|-----------------------------------------------------------------------|
|              | NA                                                                    |

4) Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company's Code of Conduct and Ethics Policy lists out the do's and don'ts and gives a guidance for ethics and adherence to Himatsingka Core Values. The code also enlists the procedures for deviations under the code. The Policy is applicable to all the employees and extends to the Himatsingka Group Companies. The policy is available on the link <https://www.himatsingka.com/investors/corporate-governance>.

5) Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

|           | FY 2025-26<br>Current Financial Year | FY 2024-25<br>Previous Financial Year |
|-----------|--------------------------------------|---------------------------------------|
| Directors | Nil                                  | Nil                                   |
| KMPs      |                                      |                                       |
| Employees |                                      |                                       |
| Workers   |                                      |                                       |

6) Details of complaints with regard to conflict of interest:

|                                                                                              | FY 2025-26<br>Current Financial Year |         | FY 2024-25<br>Previous Financial Year |         |
|----------------------------------------------------------------------------------------------|--------------------------------------|---------|---------------------------------------|---------|
|                                                                                              | Number                               | Remarks | Number                                | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil                                  |         | Nil                                   |         |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      |                                      |         |                                       |         |

7) Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

8) Number of Days of accounts payable ( (Accounts payable\*365) / Cost of goods / services procured) in the following format:

|                                    | FY 2025-26<br>(Current Financial Year) | FY 2024-25<br>(Previous Financial Year) |
|------------------------------------|----------------------------------------|-----------------------------------------|
| Number of Days of accounts payable | 164                                    | 155                                     |

9) Openness of business:

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter                  | Metrics                                                                             | FY 2025-26<br>(Current Financial Year ) | FY 2024-25<br>(Previous Financial Year ) |
|----------------------------|-------------------------------------------------------------------------------------|-----------------------------------------|------------------------------------------|
| Concentration of Purchases | a) Purchases from trading houses as % of total purchases                            | 52.05%                                  | 62.85%                                   |
|                            | b) Number of trading houses where purchases are made from                           | 378                                     | 312                                      |
|                            | c) Purchases from top 10 trading houses as % of total purchases from trading houses | 86.85%                                  | 84.14%                                   |

|                        |                                                                                         |        |        |
|------------------------|-----------------------------------------------------------------------------------------|--------|--------|
| Concentration of Sales | a) Sales to dealers / distributors as % of total sales                                  | 11.63% | 6.22%  |
|                        | b) Number of dealers / distributors to whom sales are made                              | 139    | 151    |
|                        | c) Sales to top 10 dealers /distributors as % of total sales to dealers / distributors  | 94.64% | 88.74% |
| Share of RPTs in       | a) Purchase (Purchases with related Parties / total purchases)*                         | 0.00%  | 4.63%  |
|                        | b) Sales (Sales to related parties/ Total Sales)*                                       | 42.49% | 51.48% |
|                        | c) Loans & advances (Loans & Advances given to related parties/ Total Loans & advances) | 0.00%  | 0.00%  |
|                        | d) Investments (Investments in related parties/ Total investments made)                 | 0.00%  | 1.67%  |

\*transaction with wholly owned subsidiary.

#### Leadership Indicators

##### 1) Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held | Topics / principles covered under the training | %age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|-------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| NIL                                       |                                                |                                                                                                                    |

##### 2) Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. The Company's Code of Conduct and Business Responsibility Policy requires Board members to disclose any potential conflicts of interest in relation to Related Party Transactions (RPTs), reinforcing transparency and accountability. In compliance with provisions of Companies Act, 2013 & regulation 23 of the Listing Regulations, the Audit Committee manages and oversees all RPTs, applying specific criteria to ensure transparency and prevent conflicts of interest. The Board of Directors periodically reviews the policy to maintain strict compliance and governance integrity.

## PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

#### Essential Indicators

##### 1) Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

|       | FY 2025-26<br>Current Financial Year               | FY 2024-25<br>Previous Financial Year              | Details of improvements in environmental and social impacts                        |
|-------|----------------------------------------------------|----------------------------------------------------|------------------------------------------------------------------------------------|
| R&D   | Nil                                                | 0.85 Cr                                            | Nil                                                                                |
| Capex | 0.23 Cr – Upgradation of Sizing Machine            | 4.90 Cr – Loris Bellini Yarn Dyeing Mac            | Reduce the water and chemical consumption.                                         |
|       | 0.35 Cr – Agitated Thin Filmdrye                   | 1.05 Cr – Overhauling of CPP Boiler                | Reduction in steam 1400 ton/Annum and Carbon footprint reduction by energy saving. |
|       | 0.01 Cr – Spindles Yarn Doubling Machine           | 0.68 Cr – Upgradation of Textiles Process Machines | Reduce the Power consumption                                                       |
|       | 0.35 Cr – Shearing Machine                         | 0.03 Cr – Compressed Packing Machine for Quilts    | Reduce chemical consumption                                                        |
|       | 0.07 Cr – Upgrading Wireflex Velvet Harness Replac | 0.004 Cr – Vacuum Packing Machine                  | Reduce energy consumption                                                          |
|       | 0.14 Cr Upgradation Staubli Harness – 360Cms Ph-2  | –                                                  | Reduce energy consumption                                                          |

##### 2) Does the entity have procedures in place for sustainable sourcing? (Yes/ No) b. If yes, what percentage of inputs were sourced sustainably?

Yes, the sourcing of input materials for manufacturing activities have largely adhered to the use of such materials that are sustainable. The Company's supplier evaluation requirements stress on sustainability criteria to further the high sustainability value chain goals of the Company.



Percentage of sustainable input raw material used is 71.39 % (Approximately)

**3) Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Not Applicable. As the company is in textile Industry, the company does not reclaim any of its products.

a) Reduction in plastic packaging by 30%. The outer packaging plastic envelope for the product package is substituted by the usage of product fabric leftover cut pieces.

b), c), d): e-waste & other waste generation in textile industry is very less and the same is collected and disposed through authorized disposal agency approved by Karnataka State Pollution Control Board ("KSPCB").

**4) Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).  
If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not Applicable

**Leadership Indicators**

**1) Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details in the following format?**

Not Applicable. The company has not conducted LCA

| NIC Code       | Name of Product / Service | % of total Turnover Contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes / No) If yes, provide the web-link. |
|----------------|---------------------------|---------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------|--------------------------------------------------------------------------------|
| Not applicable |                           |                                 |                                                                          |                                                           |                                                                                |

**2) If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

None. But we have implemented ZLD – Treatment system from the inception of the plant for recovery, re-use of the recovered water (99%) for production activity and saving fresh water. The Company is able to conserve 99% fresh water by way of re-use

**3) Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Not Applicable. As the company is in textile Industry, the company does not recycle or reuse input material.

| Indicate input material | Recycled or re-used input material to total material |                                    |
|-------------------------|------------------------------------------------------|------------------------------------|
|                         | FY 2025-26 Current Financial Year                    | FY 2024-25 Previous Financial Year |
| Not Applicable          |                                                      |                                    |

**4) Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed off.**

Not Applicable. The waste generated is disposed through authorized disposal agency approved by KSPCB.

|                                | FY 2025-26<br>Current Financial Year |          |                 | FY 2024-25<br>Previous Financial Year |          |                 |
|--------------------------------|--------------------------------------|----------|-----------------|---------------------------------------|----------|-----------------|
|                                | Re-Used                              | Recycled | Safely Disposed | Re-Used                               | Recycled | Safely Disposed |
| Plastics (including packaging) | –                                    | –        | 20.99           | –                                     | –        | 64.9            |
| E-waste                        | –                                    | –        | 4.2             | –                                     | –        | 1.2             |
| Hazardous waste                | –                                    | –        | 81.11           | –                                     | –        | 2476            |
| Other Waste                    | –                                    | –        | 1581.37         | –                                     | –        | 1522            |

5) Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---------------------------|-----------------------------------------------------------------------------------------------------|
| Not Applicable            |                                                                                                     |

**PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS**

**Essential Indicators**

**1) a) Details of measures for the well-being of employees.**

All employees are covered under employee welfare policies which provides benefits like life Insurance, health insurance. Eligible employees are covered under ESIC which includes all the mentioned benefits viz. Health Insurance, Accident Insurance and Maternity benefits. Further Creche facility is available at the plant.

| Category                       | % of employees covered by |                  |          |                    |         |                    |         |                    |          |                     |          |
|--------------------------------|---------------------------|------------------|----------|--------------------|---------|--------------------|---------|--------------------|----------|---------------------|----------|
|                                | Total (A)                 | Health insurance |          | Accident insurance |         | Maternity benefits |         | Paternity Benefits |          | Day Care facilities |          |
|                                |                           | No. (B)          | % (B/ A) | No. (C)            | % (C/A) | No. (D)            | % (D/A) | No. (E)            | % (E/ A) | No. (F)             | % (F/ A) |
| Permanent employees            |                           |                  |          |                    |         |                    |         |                    |          |                     |          |
| Male                           | 762                       | 762              | 100%     | 762                | 100%    | NA                 | NA      | NA                 | NA       | NA                  | –        |
| Female                         | 76                        | 76               | 100%     | 76                 | 100%    | 76                 | 100%    | NA                 | NA       | 76                  | 100%     |
| Total                          | 838                       | 838              | 100%     | 838                | 100%    | 76                 | 9%      | NA                 | NA       | 76                  | 9%       |
| Other than Permanent employees |                           |                  |          |                    |         |                    |         |                    |          |                     |          |
| Male                           | Nil                       |                  |          |                    |         |                    |         |                    |          |                     |          |
| Female                         |                           |                  |          |                    |         |                    |         |                    |          |                     |          |
| Total                          |                           |                  |          |                    |         |                    |         |                    |          |                     |          |

**b) Details of measures for the well-being of workers:**

All workers are covered under ESIC which includes all the mentioned benefits viz, Health Insurance, Accident Insurance and Maternity benefits. Further Creche facility is available at the plant.

| Category                     | % of workers covered by |                  |          |                    |         |                    |         |                    |          |                     |          |
|------------------------------|-------------------------|------------------|----------|--------------------|---------|--------------------|---------|--------------------|----------|---------------------|----------|
|                              | Total (A)               | Health insurance |          | Accident insurance |         | Maternity benefits |         | Paternity Benefits |          | Day Care facilities |          |
|                              |                         | No. (B)          | % (B/ A) | No. (C)            | % (C/A) | No. (D)            | % (D/A) | No. (E)            | % (E/ A) | No. (F)             | % (F/ A) |
| Permanent workers            |                         |                  |          |                    |         |                    |         |                    |          |                     |          |
| Male                         | 2934                    | 2934             | 100%     | 2934               | 100%    | NA                 | NA      | NA                 | NA       | NA                  | NA       |
| Female                       | 1512                    | 1512             | 100%     | 1512               | 100%    | 1512               | 100%    | NA                 | NA       | 1512                | 100%     |
| Total                        | 4446                    | 4446             | 100%     | 4446               | 100%    | 1512               | 34%     | NA                 | NA       | 1512                | 34%      |
| Other than Permanent workers |                         |                  |          |                    |         |                    |         |                    |          |                     |          |
| Male                         | 703                     | 703              | 100%     | 703                | 100%    | NA                 | NA      | NA                 | NA       | NA                  | NA       |
| Female                       | 245                     | 245              | 100%     | 245                | 100%    | 245                | 100%    | NA                 | NA       | 245                 | 100%     |
| Total                        | 948                     | 948              | 100%     | 948                | 100%    | 245                | 26%     | NA                 | NA       | 245                 | 25%      |

Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

|                                                                             | FY 2025-26<br>Current Financial Year | FY 2024-25<br>Previous Financial Year |
|-----------------------------------------------------------------------------|--------------------------------------|---------------------------------------|
| Cost incurred on well-being measures as a % of total revenue of the company | 0.43%                                | 0.54%                                 |

## 2) Details of retirement benefits.

| Benefits                      | FY 2025-26<br>Current Financial Year               |                                                |                                                            | FY 2024-25<br>Previous Financial Year              |                                                  |                                                            |
|-------------------------------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|------------------------------------------------------------|
|                               | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.)       | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers   | Deducted and deposited with the authority (Y/N/N.A.)       |
| PF                            | 100%                                               | 100%                                           | Yes                                                        | 100%                                               | 100%                                             | Yes                                                        |
| Gratuity                      | 100%                                               | 100%                                           | Yes                                                        | 100%                                               | 100%                                             | Yes                                                        |
| ESI                           | 0%                                                 | 94.29%                                         | Yes                                                        | 0.36%                                              | 94.52%                                           | Yes                                                        |
| Others – Workmen Compensation | –                                                  | 1146 – 18 % Covered under Workmen compensation | Not Applicable<br>There is no deduction from the employees | –                                                  | 1149 – 0.14 % Covered under Workmen compensation | Not Applicable<br>There is no deduction from the employees |

## 3) Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes – All premises/ offices are accessible to differently abled employees and workers.

**4) Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company does not have a separate Human Rights Policy, its's Code of Conduct deliberates about Equal opportunity and Non-discrimination.

The Company does not engage in or support discrimination on the basis of race, colour, sex, language, religion, political or other opinion, caste, national or social origin, property, union affiliation, sexual orientation, health status, family responsibilities, age and disability or other distinguishing characteristics.

Our workforce reflects the richness of diverse backgrounds and abilities, making us more collaborative, innovative and equitable. Himatsingka is proud to employ people with special needs as an active part of its workforce.

## 5) Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender       | Permanent employees |                | Permanent workers   |                |
|--------------|---------------------|----------------|---------------------|----------------|
|              | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male         | NA                  | NA             | NA                  | NA             |
| Female       | 100%                | 100%           | 50%                 | 50%            |
| <b>Total</b> | <b>100%</b>         | <b>100%</b>    | <b>50%</b>          | <b>50%</b>     |

**6) Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief. –**

|                                | (If Yes, then give details of the mechanism in brief)                                     |
|--------------------------------|-------------------------------------------------------------------------------------------|
| Permanent Workers              | Yes (Suggestion Box, Speakup Email, Grievance Committee, Town Hall Meetings, HR helpdesk) |
| Other than Permanent Workers   |                                                                                           |
| Permanent Employees            |                                                                                           |
| Other than Permanent Employees |                                                                                           |

7) Membership of employees and workers in association(s) or Unions recognized by the listed entity:

| Category                  | FY 2025-26 Current Financial Year                    |                                                                                                |         | FY 2024-25 Previous Financial Year                   |                                                                                                |         |
|---------------------------|------------------------------------------------------|------------------------------------------------------------------------------------------------|---------|------------------------------------------------------|------------------------------------------------------------------------------------------------|---------|
|                           | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B/A) | Total employees / workers in respective category (C) | No. of employees / Workers in respective category, who are part of association(s) or Union (D) | % (D/C) |
| Total Permanent Employees | 838                                                  | 0                                                                                              | 0       | 838                                                  | 0                                                                                              | 0       |
| – Male                    | 762                                                  | 0                                                                                              | 0       | 749                                                  | 0                                                                                              | 0       |
| – Female                  | 76                                                   | 0                                                                                              | 0       | 89                                                   | 0                                                                                              | 0       |
| Total Permanent Workers   | 4446                                                 | 308                                                                                            | 6.9%    | 6107                                                 | 316                                                                                            | 5%      |
| – Male                    | 2934                                                 | 308                                                                                            | 10.5%   | 4188                                                 | 316                                                                                            | 7.6%    |
| – Female                  | 1512                                                 | 0                                                                                              | 0       | 1919                                                 | 0                                                                                              | 0       |

8) Details of training given to employees and workers:

The continued focus on enhancing employee capabilities and benchmarking to be able to deliver best-in-class working environment has helped the Company maintain its leadership in the home textile industry.

The Company is committed to continuous learning and treats employees as one of the biggest resources in an organization, the Company carries out training initiatives based on specific skill requirements and nature of work. Trainings are provided to employees based on a training calendar.

| Category  | FY 2025-26<br>Current Financial Year |                                  |         |                         |         | FY 2024-25<br>Previous Financial Year |                                  |         |                         |         |
|-----------|--------------------------------------|----------------------------------|---------|-------------------------|---------|---------------------------------------|----------------------------------|---------|-------------------------|---------|
|           | Total (A)                            | On Health and<br>safety measures |         | On Skill<br>upgradation |         | Total (D)                             | On Health and<br>safety measures |         | On Skill<br>upgradation |         |
|           |                                      | No. (B)                          | % (B/A) | No. (C)                 | % (C/A) |                                       | No. E                            | % (E/D) | No. (F)                 | % (F/D) |
| Employees |                                      |                                  |         |                         |         |                                       |                                  |         |                         |         |
| Male      | 762                                  | 641                              | 84%     | 762                     | 100%    | 749                                   | 508                              | 67.82%  | 749                     | 100%    |
| Female    | 76                                   | 65                               | 86%     | 76                      | 100%    | 89                                    | 56                               | 62.92%  | 89                      | 100%    |
| Total     | 838                                  | 706                              | 84%     | 838                     | 100%    | 838                                   | 564                              | 67.30%  | 838                     | 100%    |
| Workers   |                                      |                                  |         |                         |         |                                       |                                  |         |                         |         |
| Male      | 3637                                 | 3637                             | 100%    | 3637                    | 100%    | 4990                                  | 4990                             | 100%    | 4990                    | 100%    |
| Female    | 1757                                 | 1757                             | 100%    | 1757                    | 100%    | 2231                                  | 2231                             | 100%    | 2231                    | 100%    |
| Total     | 5394                                 | 5394                             | 100%    | 5394                    | 100%    | 7221                                  | 7221                             | 100%    | 7221                    | 100%    |

9) Details of performance and career development reviews of employees and worker:

| Category         | FY 2025-26 Current Financial Year |             |             | FY 2024-25 Previous Financial Year |             |               |
|------------------|-----------------------------------|-------------|-------------|------------------------------------|-------------|---------------|
|                  | Total (A)                         | No. (B)     | % (B/A)     | Total (A)                          | No. (B)     | % (B/A)       |
| <b>Employees</b> |                                   |             |             |                                    |             |               |
| Male             | 762                               | 653         | 86%         | 749                                | 616         | 82.24%        |
| Female           | 76                                | 70          | 92%         | 89                                 | 62          | 69.66%        |
| <b>Total</b>     | <b>838</b>                        | <b>723</b>  | <b>86%</b>  | <b>838</b>                         | <b>678</b>  | <b>80.90%</b> |
| <b>Workers</b>   |                                   |             |             |                                    |             |               |
| Male             | 3637                              | 3637        | 100%        | 4990                               | 4990        | 100%          |
| Female           | 1757                              | 1757        | 100%        | 2231                               | 2231        | 100%          |
| <b>Total</b>     | <b>5394</b>                       | <b>5934</b> | <b>100%</b> | <b>7221</b>                        | <b>7221</b> | <b>100%</b>   |



## 10) Health and safety management system:

### a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, All employees & workers are covered under the occupational health & safety management system & policies.

The health and safety of our people has always been a top priority at Himatsingka and this has been in sharper focus during the recent pandemic. Annual health camps for workers and more frequent health checks for those working in sensitive areas of manufacturing, are carried out regularly.

The company is committed not only to comply with all relevant health & safety laws, but also to conduct business in a manner that protects all its employees & workers. All employees and workers are required to comply with all applicable health and safety laws, regulations & policies relevant to their job.

The system is aimed at creating a healthy and safe environment by detecting occupational health and safety hazards and developing practical approaches to eliminate or control hazards.

The Health and Safety Management system covers a wide range of aspects such as Preventive, Therapeutic, Curative and Rehabilitative activities. Regular First Aid trainings, awareness programs on general health and personal hygiene, pre-employment, periodic and annual health checkup, inspecting the workplace regularly, investigating reportable incidents, helping establish and promote health and safety programs, policies and training are a few other aims of the system. Regular audits/ visits are performed by the OHC team.

The Company follows standard operating procedures for working in Plants & Offices, which include regular sanitization, use of PPE/ masks and availability of medical staff within the premises etc.

The manufacturing locations are certified for requirements under ISO 14001 (environment management system) and OHSAS 18001 (Occupational Health and Safety System).

### b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Routine - "HIRA" Hazard identification and risk Assessment process enables to identify hazardous processes and the same are mitigated with appropriate checks and controls in place.

Non-routine – These are identified and addressed via toolbox talks (The supervisor addresses all workers at the beginning of the shift about their safety protocols and operational practices to be adhered during the shift.)

### c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

The Company is committed not only to comply with all relevant health and safety laws, but also to conduct business in a manner that protects its employees. All employees are required to comply with all applicable health and safety laws, regulations and policies relevant to their jobs.

Eliminating or guarding against hazards starts with identifying them. Employees/Workers are informed to alert supervisors or the HR department, if they are aware of hazards or standards that are being ignored or hidden.

All employees & workers are made aware to report the following:

- Failure to obtain or comply with regulatory permits.
- Failure to use personal proactive equipment's
- Deviations from written work practices– even if these deviations have become "routine."
- Lapses in security or emergency preparedness.
- Inadequately maintained tools or equipment.
- Missing machine guards or faulty protective equipment.
- Unsafe driving, unsafe handling of tools & tackles
- Failure to follow work & safety SOP's
- Failure to use lock-out, tag-out procedures or fall protection.

The employees & workers are informed to raise the issue of hazardous risk if any during toolbox talks and the same is appropriately addressed by safety team.

### d) Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

All employees have access to non-occupational medical and healthcare services. The Company has obtained Group medical insurance policy. All workers are covered by the Employees State Insurance Corporation scheme.

**11) Details of safety related incidents, in the following format:**

| Safety Incident/Number                                                        | Category  | FY 2025-26<br>Current<br>Financial Year | FY 2024-25<br>Previous<br>Financial Year |
|-------------------------------------------------------------------------------|-----------|-----------------------------------------|------------------------------------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | Nil                                     | Nil                                      |
|                                                                               | Workers   | 1.07                                    | 1.05                                     |
| Total recordable work-related injuries                                        | Employees | Nil                                     | Nil                                      |
|                                                                               | Workers   | Nil                                     | Nil                                      |
| No. of fatalities                                                             | Employees | 01                                      | Nil                                      |
|                                                                               | Workers   | Nil                                     | Nil                                      |
| High consequence work-related injury or ill-health (excluding fatalities)     | Employees | Nil                                     | Nil                                      |
|                                                                               | Workers   | Nil                                     | Nil                                      |

**12) Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The Company has the following measures to ensure a safe and healthy workplace:

- Regular trainings/ adequate awareness is provided to employees and workers on various safety requirements.
- Regular audits/ visits are performed by the OHC team.
- Fire Safety Checks
- Chemical Management Safety
- Electrical Safety, Building stability
- Machine Safety, Emergency preparedness and response training,
- Fire mock drills
- Establishment of EHS Committee
- Various safety signage's displayed across the plant,
- Safety GEMBA walk (Japanese way of identifying the hazards in the working environment)
- Rewards and recognition for different safety KAIZEN (Japanese technique for Continual improvement).
- Work Permits and monitoring.
- HIRA Assessment.
- Tool Box Talk

**13) Number of complaints on the following made by employees and workers**

| Particulars        | FY 2025-26<br>Current Financial Year |                                       |         | FY 2024-25<br>Previous Financial Year |                                       |         |
|--------------------|--------------------------------------|---------------------------------------|---------|---------------------------------------|---------------------------------------|---------|
|                    | Filed during the year                | Pending resolution at the end of year | Remarks | Filed during the year                 | Pending resolution at the end of year | Remarks |
| Working Conditions | 28                                   | NIL                                   | –       | 32                                    | NIL                                   | –       |
| Health & Safety    | 31                                   | NIL                                   | –       | 36                                    | NIL                                   | –       |

**14) Assessments for the year**

A SMETA (Sedex Members Ethical Trade Audit) audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The audit included direct employees, agency workers, workers employed by service providers and workers provided by other contractors

**BSCI (Business Social Compliance Initiative) Audit and SEDEX (Supplier Ethical Data Exchange)**

| Particulars                 | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|-------------------------------------------------------------------------------------------------------|
| Health and safety practices | 100%                                                                                                  |
| Working Conditions          | 100%                                                                                                  |

**15) Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Machine Safety devices were deployed in different machines; Number of Fire safety devices were increased in different locations in the plant;

#### Leadership Indicators

**1) Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Yes/ No) (B) Workers (Yes/ No).**

(A) & (B): Yes

**2) Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company has a practice of seeking previous month details, evidencing remittance of statutory dues by the value chain partners. Suitable penalty clauses also present in the Partner agreements. Company has quarterly internal audit system which ensure timely payment of statutory dues made by value chain partners and relevant document are verified on monthly basis.

**3) Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q 11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

|           | Total no. of affected employees / workers |                                       | No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment |                                       |
|-----------|-------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|
|           | FY 2025-26<br>Current Financial Year      | FY 2024-25 Previous<br>Financial Year | FY 2025-26<br>Current Financial Year                                                                                                                | FY 2024-25<br>Previous Financial Year |
| Employees | 1                                         | 0                                     | 0                                                                                                                                                   | 0                                     |
| Workers   | 0                                         | 0                                     | 0                                                                                                                                                   | 0                                     |

**4) Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes / No)**

No

**5) Details on assessment of value chain partners:**

|                              | % of value chain partners (by value of business done with such partners) that were assessed |                       |                   |
|------------------------------|---------------------------------------------------------------------------------------------|-----------------------|-------------------|
|                              | Manpower Suppliers                                                                          | Supply Chain Partners | Material Partners |
| Health and safety conditions | 100%                                                                                        | 100%                  | Under Process     |
| Working Conditions           | 100%                                                                                        | 100%                  | Under Process     |

**6) Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

None

#### PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

#### Essential Indicators

**1) Describe the processes for identifying key stakeholder groups of the entity.**

The company has mapped its internal and external stakeholders. Engaging with stakeholders allows our company to improve our business processes by linking sustainability issues into strategy, governance and operation, while the engaged stakeholders are also informed of corporate sustainability issues, performance and agenda. It is their involvement that broadens the horizon for improving the Company's sustainability performance.

## 2) List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

List of key stakeholders & manner of engagement is as below:

| Stakeholder Group                        | Whether identified as Vulnerable & Marginalized Group (Yes / No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other                                                                                                                                                                                  | Frequency of engagement (Annually / Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                             |
|------------------------------------------|------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investors / Shareholders                 | No                                                               | <ul style="list-style-type: none"> <li>Quarterly investor conference calls</li> <li>Investor conferences and meets</li> <li>Press releases and newsletters</li> <li>Annual shareholder meeting / Postal Ballot</li> <li>Email, SMS, Newspaper Advertisement</li> </ul>                                         | Annually / Half yearly / Quarterly / Event based                                      | General Meetings, Applicable provisions of Companies Act, 2013, SEBI (LODR) Regulations, 2015: Regulation 29/30 Intimations, IEPF, Dividend related, Saksham Niveshak, Special Window for Transfer and Dematerialization of Physical Securities, other investor grievances. |
| Government / Industry bodies, Regulators | No                                                               | <ul style="list-style-type: none"> <li>As may be required: one or two meetings</li> <li>Participation in conference / seminars</li> <li>Working Committee meetings</li> <li>Surveys, other meetings</li> <li>Annual report</li> <li>Communications with regulatory bodies</li> <li>Formal dialogues</li> </ul> | Annually / Half yearly / Quarterly / As may be required                               | Regulatory compliance, corporate governance mechanisms, transparency in disclosures                                                                                                                                                                                         |
| Employees                                | No                                                               | <ul style="list-style-type: none"> <li>Employee newsletters</li> <li>Intranet Portal</li> <li>Cultural events</li> <li>Trainings and performance management system</li> <li>Functional and cross-functional committees</li> <li>Emails, written communication</li> </ul>                                       | Event based / As required                                                             | SAP introduction training, POSH Awareness Training Program, Himatsingka Wellness Programme – “Healthy You”, Insider Trading training, Trading Window Closures.                                                                                                              |
| Community                                | Yes                                                              | <ul style="list-style-type: none"> <li>Community meetings, surveys and consultations</li> <li>CSR interventions and initiatives</li> <li>Awareness camps</li> <li>Community development through various events</li> </ul>                                                                                      | Frequent and as need based                                                            | Skill Training – Employment enhancing Vocational Skills                                                                                                                                                                                                                     |
| Customers                                | No                                                               | <ul style="list-style-type: none"> <li>Direct Consumer calls</li> <li>In-person meetings</li> <li>Trade Fairs (Heimtextil, Market Week)</li> <li>Customer satisfaction surveys</li> <li>Complaint handling &amp; feedback</li> <li>Marketing and Advertising</li> <li>Electronic Communication</li> </ul>      | Frequent and as need based                                                            | Updating customers on new product launches; Understanding the customer requirements                                                                                                                                                                                         |
| Contractors and Suppliers                | No                                                               | <ul style="list-style-type: none"> <li>Contractor and Supplier meets</li> <li>Regular interaction through phone, e-mail and in person</li> <li>Supplier Audits</li> </ul>                                                                                                                                      | Frequent and as need based                                                            | Business related discussions, awareness and training programmes, workshops and seminars, Sourcing requirements                                                                                                                                                              |





## Leadership Indicators

### **1) Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The Company ensures that the respective business and functional heads actively engage with stakeholder on various Environmental, Social and Governance (“ESG”) topics. Through these engagements, valuable feedback is obtained and relevant feedback is provided to the Board. This practice enables the company to incorporate stakeholder perspectives and concerns into its decision-making processes and governance practices.

### **2) Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Stakeholder engagement mechanisms are an important part of Himatsingka’s ESG strategy. We value and encourage feedback from all stakeholders, including our investors, employees, suppliers and customers

### **3) Provide details of instances of engagement with and actions taken to address the concerns of vulnerable/ marginalized stakeholder groups.**

Yes, special initiatives have been taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders.

Local communities and society continue to be an area of focus for the Company. We endeavor to take initiatives that have a positive impact on such communities.

The Himatsingka Learning Academy (HLA) is designed to provide inclusive and equitable career opportunities to young men and women from across the country. The HLA campus is located in Hassan, Karnataka, where our recruitment process encourages rural communities to join the Himatsingka family and get a chance at a better life. In our quest to provide equal opportunities, we give special preference for women, as we believe that they have the power not only to uplift themselves but their families as well.

St. Johns Hospital Bangalore run by CBCI Society for Medical Education has completed construction of St. Johns Geriatric Centre Project. The project encompasses construction of a comprehensive centre for Care, Training and Research in Ageing and Geriatrics consisting of Ground + 6 Floors facility in Bangalore. Of the Company’s budget of ₹ 5 crores for the project, the Company has completed the contribution of ₹ 5 crores towards completion of construction milestones.

The Company has also carried out developmental work for the local communities in the vicinity of its manufacturing facilities. The initiatives include but are not limited to education, health, employment opportunities and social infrastructure.

The Company distributed Motorized tri-wheelers to specially abled persons as part of Livelihood enhancement project and contributed towards construction of community hall at Hassan, Karnataka, as part of rural development project through its CSR wing, Himatsingka Foundation.

The Company has enrolled with Ministry of Rural Development, Government of India under the Deen Dayal Upadhyaya- Grameen Kaushalya Yojana towards imparting skill development for rural youth. The Company has registered as a Project Implementing Agency with a target to train 3500 trainees in 3 years in various facets related to textiles business like tailoring, weaving etc as per the syllabus approved by Government of India. The training is for a continuous period of 3 months with the objective of absorbing them in the organization post training for the period of minimum 6 months. The Company has successfully completed the training of allotted 3500 trainees.

The Company has also enrolled under “SAMARTH” scheme for Capacity Building in the Textiles Sector in association with Central Silk Board and around 463 employees have been trained and certified by Ministry of Textiles under various job roles like Sewing Machine Operator, Fabric Checker, Cheese Dyeing Machine, Weaving Manufacturer & Power-loom Weaver.

## PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

### Essential Indicators

1) Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category               | FY 2025-26  |                                        |             | FY 2024-25  |                                        |             |
|------------------------|-------------|----------------------------------------|-------------|-------------|----------------------------------------|-------------|
|                        | Total (A)   | No. of employees / workers covered (B) | % (B/A)     | Total (C)   | No. of employees / workers covered (D) | % (D/C)     |
| <b>Employees</b>       |             |                                        |             |             |                                        |             |
| Permanent              | 838         | 838                                    | 100%        | 838         | 838                                    | 100%        |
| Other than permanent   | 0           | 0                                      | 0%          | 0           | 0                                      | 0%          |
| <b>Total employees</b> | <b>838</b>  | <b>838</b>                             | <b>100%</b> | <b>838</b>  | <b>838</b>                             | <b>100%</b> |
| <b>Workers</b>         |             |                                        |             |             |                                        |             |
| Permanent              | 4446        | 4446                                   | 100%        | 6107        | 6107                                   | 100%        |
| Other than permanent   | 948         | 948                                    | 100%        | 1114        | 1114                                   | 100%        |
| <b>Total workers</b>   | <b>5394</b> | <b>5394</b>                            | <b>100%</b> | <b>7221</b> | <b>7221</b>                            | <b>100%</b> |

2) Details of minimum wages paid to employees and workers, in the following format

| Category             | FY 2025-26<br>Current Financial Year |                          |         |                           |         | FY 2024-25<br>Previous Financial Year |                          |         |                           |         |
|----------------------|--------------------------------------|--------------------------|---------|---------------------------|---------|---------------------------------------|--------------------------|---------|---------------------------|---------|
|                      | Total (A)                            | Equal to<br>Minimum Wage |         | More than<br>Minimum Wage |         | Total (D)                             | Equal to Minimum<br>Wage |         | More than<br>Minimum Wage |         |
|                      |                                      | No. (B)                  | % (B/A) | No. (C)                   | % (C/A) |                                       | No. (E)                  | % (E/D) | No. (F)                   | % (F/D) |
| Employees            |                                      |                          |         |                           |         |                                       |                          |         |                           |         |
| Permanent            | 838                                  | NA                       | NA      | 838                       | 100%    | 838                                   | NA                       | NA      | 838                       | 100%    |
| Male                 | 762                                  | NA                       | NA      | 762                       | 100%    | 749                                   | NA                       | NA      | 749                       | 100%    |
| Female               | 76                                   | NA                       | NA      | 76                        | 100%    | 89                                    | NA                       | NA      | 89                        | 100%    |
| Other than Permanent | NA                                   | NA                       | NA      | NA                        | NA      | NA                                    | NA                       | NA      | NA                        | NA      |
| Male                 | NA                                   | NA                       | NA      | NA                        | NA      | NA                                    | NA                       | NA      | NA                        | NA      |
| Female               | NA                                   | NA                       | NA      | NA                        | NA      | NA                                    | NA                       | NA      | NA                        | NA      |
| Workers              |                                      |                          |         |                           |         |                                       |                          |         |                           |         |
| Permanent            | 4446                                 | 4446                     | 100%    | NA                        | NA      | 6107                                  | 6107                     | 100%    | NA                        | NA      |
| Male                 | 2934                                 | 2934                     | 100%    | NA                        | NA      | 4188                                  | 4188                     | 100%    | NA                        | NA      |
| Female               | 1512                                 | 1512                     | 100%    | NA                        | NA      | 1919                                  | 1919                     | 100%    | NA                        | NA      |
| Other than Permanent | 948                                  | 948                      | 100%    | NA                        | NA      | 1114                                  | 1114                     | 100%    | NA                        | NA      |
| Male                 | 703                                  | 703                      | 100%    | NA                        | NA      | 802                                   | 802                      | 100%    | NA                        | NA      |
| Female               | 245                                  | 245                      | 100%    | NA                        | NA      | 312                                   | 312                      | 100%    | NA                        | NA      |



### 3) Details of remuneration / salary / wages, in the following format:

#### a) Median remuneration / Wages:

|                                  | Male   |                                                                    | Female |                                                                    |
|----------------------------------|--------|--------------------------------------------------------------------|--------|--------------------------------------------------------------------|
|                                  | Number | Median remuneration / salary / wages of respective category (in ₹) | Number | Median remuneration / salary / wages of respective category (in ₹) |
| Board of Directors (BoD)         | 2      | 3,59,53,200 / PA                                                   | 0      | 0                                                                  |
| Key Managerial Personnel         | 1      | 2,50,00,000 / PA                                                   | 1      | 38,00,000/ PA                                                      |
| Employees other than BoD and KMP | 759    | 6,84,000 / PA                                                      | 75     | 8,49,996 / PA                                                      |
| Workers                          | 3637   | 2,48,436 / PA                                                      | 1757   | 2,18,880 / PA                                                      |

#### b) Gross wages paid to females as % of total wages paid by the entity, in the following format:

|                                                 | Current Financial Year | Previous Financial Year |
|-------------------------------------------------|------------------------|-------------------------|
| Gross wages paid to females as % of total wages | 22%                    | 30%                     |

#### 4) Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes / No)

The Company remains committed to respect and protect human rights. The Company's Code of Conduct & Ethics and the HR policies addresses these aspects.

Yes – Plant HR Head oversees and addresses the human rights impacts or issues.

#### 5) Describe the internal mechanisms in place to redress grievances related to human rights issues.

As a conscious and vigilant organization, Himatsingka Seide Limited believes in the conduct of the affairs of its constituents in a fair and transparent manner, by adopting the highest standards of professionalism, transparency, and ethics.

The Company remains committed to respect and protect human rights. The Company's code of conduct, Human Resource practices and policies provide guidelines on matters relating to child labour, occupational health and safety among other relevant matters that help respect and promote Human Rights. We dissociate ourselves from all forms of slavery, torture, cruel, inhuman or degrading treatment, working conditions that are a threat to life or health, child labour and heavy, irreversible environmental damage. Himatsingka Group does not tolerate slavery, forced overtime work, forced convict labour, retainment of identification papers, trafficking in human beings or repayment of debt through work.

##### Grievance Redressal Mechanism:

The Grievance Redressal Mechanism is in place at all the locations with the proportion of workers and management as per the statutory norms. All the complaints are resolved in timely manner. At Himatsingka we believe that the growth of our company depends on the economic, environmental and social sustainability of our communities.

Company is informed of any grievances from communities through face to face meetings or through any medium. The focus areas are decided based on the requirements or recommendations received by the general public or nearby panchayats. In addition, the Company also has an internal grievance mechanism that covers all our stakeholders including communities in which we operate.

##### Prevention of Sexual Harassment Policy (POSH):

The Company is committed to provide a safe and secure work environment to all its employees. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Therefore, any discrimination and/or harassment in any form is unacceptable and the Company has in place a Prevention of Sexual Harassment Policy and an Internal Complaints Committee as per the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Policy aims to prevent, prohibit and redress any alleged incident of sexual harassment and, if necessary, to enforce disciplinary action upon such occurrence. It defines sexual harassment and provides a framework to respond to complaints of sexual harassment at workplace. The Company has adopted a Zero Tolerance approach towards sexual harassment and such an act shall be treated with severity and regarded as misconduct as per this Policy. All employees are made aware to report instances of sexual harassment without fear of reprisal or retaliation. All allegations of Sexual Harassment are promptly and discreetly investigated by the Company.

##### Whistleblower Policy:

The purpose of the policy is to create a fearless environment for the employees. The Company Secretary has been designated as the Chief Compliance Officer under the policy and the employees can report any instance of unethical behavior, fraud and/or violation of the Company's Code of conduct or policy to the Chief Compliance Officer. The framework of the policy strives to foster responsible and secure whistle blowing.

**6) Number of Complaints on the following made by employees and workers:**

|                                    | FY 2025-26<br>Current Financial Year |                                       |         | FY 2024-25<br>Previous Financial Year |                                       |         |
|------------------------------------|--------------------------------------|---------------------------------------|---------|---------------------------------------|---------------------------------------|---------|
|                                    | Filed during the year                | Pending resolution at the end of year | Remarks | Filed during the year                 | Pending resolution at the end of year | Remarks |
| Sexual Harassment                  | NIL                                  | NIL                                   | NIL     | NIL                                   | NIL                                   | NIL     |
| Discrimination at workplace        | NIL                                  | NIL                                   | NIL     | NIL                                   | NIL                                   | NIL     |
| Child Labour                       | NIL                                  | NIL                                   | NIL     | NIL                                   | NIL                                   | NIL     |
| Forced Labour / Involuntary Labour | NIL                                  | NIL                                   | NIL     | NIL                                   | NIL                                   | NIL     |
| Wages                              | 32                                   | NIL                                   | NIL     | 38                                    | NIL                                   | NIL     |
| Other human rights related issues  | NIL                                  | NIL                                   | NIL     | NIL                                   | NIL                                   | NIL     |

**7) Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format**

|                                                                                                                                  | 2025-26<br>Current Financial Year | 2024-25<br>Previous Financial Year |
|----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|------------------------------------|
| Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, prohibition and redressal) Act, 2013 (POSH) | NIL                               | NIL                                |
| Complaints on POSH as a % of Female employees/ workers                                                                           | NIL                               | NIL                                |
| Complaints on POSH Upheld                                                                                                        | NIL                               | NIL                                |

**8) Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The contents of the complaint, the identity and addresses of the Aggrieved Person, any information relating to conciliation and inquiry proceedings and the action taken by the Company are kept confidential and are not published, communicated or made known to the public, press and media in any manner.

The identity of the Aggrieved Person shall be kept confidential by all concerned. Should any person entrusted with the duty of handling the complaint, inquiry or any recommendations or action to be taken breaches the confidentiality, then such person is liable for penalty and appropriate actions.

The Company is committed to ensuring that no employee or associate who brings forward a harassment concern is subject to any form of reprisal. Any reprisal will be subject to disciplinary action. There are mechanisms to ensure that the Aggrieved Person or witnesses are not victimized or discriminated against while dealing with complaints of sexual harassment. However, anyone who abuses the procedure (for example, by maliciously putting an allegation knowing it to be untrue) are subject to disciplinary action.

**9) Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, the company has incorporated human right requirements for all major vendors who are directly contributing in business operations.

**10) Assessments of the year**

A SMETA (Sedex Members Ethical Trade Audit) audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The scope of workers included direct employees, agency workers, workers employed by service providers and workers provided by other contractors.

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|-------------------------------------------------------------------------------------------------------|
| Child labour                | 100% Audited as per SMETA 4-Pillar, BSCI & other Buyer Audits                                         |
| Forced / involuntary labour |                                                                                                       |
| Sexual harassment           |                                                                                                       |
| Discrimination at workplace |                                                                                                       |
| Wages                       |                                                                                                       |
| Others – please specify     |                                                                                                       |



11) Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No significant risks reported in the assessment.

#### Leadership Indicators

1) Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

None

2) Details of the scope and coverage of any Human rights due-diligence conducted

Human rights due diligence is done by third party auditors under social audits

3) Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes – All premises/ offices are accessible to differently abled employees and workers.

4) Details on assessment of value chain partners:

|                             | % of value chain partners (by value of business done with such partners) that were assessed |                       |                   |
|-----------------------------|---------------------------------------------------------------------------------------------|-----------------------|-------------------|
|                             | Manpower Suppliers                                                                          | Supply Chain Partners | Material Partners |
| Sexual harassment           | 100%                                                                                        | 70 – 80 %             | Under Progress    |
| Discrimination at workplace | 100%                                                                                        | 70 – 80 %             |                   |
| Child labour                | 100%                                                                                        | 70 – 80 %             |                   |
| Forced/involuntary labour   | 100%                                                                                        | 70 – 80 %             |                   |
| Wages                       | 100%                                                                                        | 70 – 80 %             |                   |
| Others-please specify       | 100%                                                                                        | 70 – 80 %             |                   |

5) Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

None

### PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

#### Essential Indicators

1) Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

(In Joules)

| Parameter                                                                                                                                               | FY 2025-26<br>(Current Financial Year) | FY 2024-25<br>(Previous Financial Year) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| <b>From renewable sources</b>                                                                                                                           |                                        |                                         |
| Total electricity consumption (A)                                                                                                                       | 570315743088                           | 112125855343                            |
| Total fuel consumption (B)                                                                                                                              | 1856970786762                          | 0                                       |
| Energy consumption through other sources (C)                                                                                                            | 20677353342.1                          | 0                                       |
| Total energy consumed from renewable sources (A+B+C)                                                                                                    | 2447963883192.1                        | 112125855343                            |
| <b>From non-renewable sources</b>                                                                                                                       |                                        |                                         |
| Total electricity consumption (D)                                                                                                                       | 115118353112.88                        | 492613751627                            |
| Total fuel consumption (E)                                                                                                                              | 55899360                               | 1725098666036                           |
| Energy consumption through other sources (F)                                                                                                            | 99396349.2                             | 18067402016                             |
| Total energy consumed from non-renewable sources (D+E+F)                                                                                                | 115273648822.08                        | 2235779819680                           |
| <b>Total energy consumed (A+B+C+D+E+F)</b>                                                                                                              | <b>2563237532014.18</b>                | <b>2347905675023</b>                    |
| Energy intensity per rupee turnover (Total energy consumed/ revenue from operations)                                                                    | 136.1687614325                         | 105.7381833908                          |
| Energy intensity per rupee per turnover adjusted for Purchasing Power Parity (PPP)<br>(Total energy consumed/ revenue from operations adjusted for PPP) | 2,735.63 J/USD                         | 2,154.14 kJ/USD                         |
| Energy intensity in terms of physical output                                                                                                            | –                                      | –                                       |
| Energy intensity (Optional) – the relevant metric may be selected by the entity                                                                         | –                                      | –                                       |

**Note:** Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2) Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

None

3) Provide details of the following disclosures related to water, in the following format:

| Parameter                                                                                                                                                      | FY 2025-26<br>(Current Financial Year) | FY 2024-25<br>(Previous Financial Year) |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| Water withdrawal by source (in kilolitres)                                                                                                                     |                                        |                                         |
| i) Surface water: KIADB Water supply                                                                                                                           | 549075                                 | 651094                                  |
| ii) Groundwater                                                                                                                                                | 0                                      | 0                                       |
| iii) Third party water (Municipal water supplies)                                                                                                              | 86560                                  | 118743                                  |
| iv) Seawater / desalinated water                                                                                                                               | 12706                                  | 45165                                   |
| v) Others (Recycled)                                                                                                                                           | 1388208                                | 1371248                                 |
| <b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>                                                                                | <b>2036549</b>                         | <b>2186250</b>                          |
| <b>Total volume of water consumption (in kilolitres)</b>                                                                                                       | <b>2036549</b>                         | <b>2186250</b>                          |
| <b>Water intensity per rupee of turnover</b> (Total Water consumption / Revenue from operations)                                                               | 0.0001081891                           | 0.000098                                |
| <b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(Total water consumption/ Revenue from operations adjusted for PPP) | 0.002173519 kL/USD                     | 0.002006574 kL/USD                      |
| <b>Water intensity in terms of physical output</b>                                                                                                             | –                                      | –                                       |
| <b>Water intensity</b> (optional) – the relevant metric may be selected by the entity                                                                          | –                                      | –                                       |

4) Provide the following details related to water discharged

| Parameter                                                             | FY 2025-26<br>(Current Financial Year) | FY 2024-25<br>(Previous Financial Year) |
|-----------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| Water discharge by destination and level of treatment (in kilolitres) |                                        |                                         |
| i) To Surface water                                                   | 0                                      | 0                                       |
| – No treatment                                                        |                                        |                                         |
| – With treatment – please specify level of treatment                  |                                        |                                         |
| ii) To Groundwater                                                    | 0                                      | 0                                       |
| – No treatment                                                        |                                        |                                         |
| – With treatment – please specify level of treatment                  |                                        |                                         |
| iii) To Seawater                                                      | 0                                      | 0                                       |
| – No treatment                                                        |                                        |                                         |
| – With treatment – please specify level of treatment                  |                                        |                                         |
| iv) Sent to third-parties                                             | 0                                      | 0                                       |
| – No treatment                                                        |                                        |                                         |
| – With treatment – please specify level of treatment                  |                                        |                                         |
| v) Others (STP-Treated water)                                         | 40000                                  | 40000                                   |
| – No treatment                                                        |                                        |                                         |
| – With treatment – Discharge standards for Gardening                  |                                        |                                         |
| <b>Total water discharged (in kilolitres)</b>                         | <b>40000</b>                           | <b>40000</b>                            |

**Note:** Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5) Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

As part of its initiatives to reduce its carbon footprint and ensure operational sustainability the Company is focused on operating Zero Liquid Discharge (ZLD).



The Company operates best-in-class Zero Liquid Discharge (ZLD) water management plants across all its manufacturing facilities. We are mindful of our water consumption, continually optimizing its usage through the manufacturing process, capturing and recycling as much as possible, while also rejuvenating water sources. We have achieved 99.3% Water Recovery at our ZLD Facilities.

**6) Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

| Parameter                                               | Please specify unit | FY 2025-26<br>(Current Financial Year) | FY 2024-25<br>(Previous Financial Year) |
|---------------------------------------------------------|---------------------|----------------------------------------|-----------------------------------------|
| NOx                                                     | Ton/ annum          | 140.88                                 | 147                                     |
| Sox                                                     | Ton/ annum          | 177.49                                 | 173                                     |
| Particulate matter (PM)                                 | Ton/ annum          | 42.98                                  | 39                                      |
| Persistent organic pollutants (POP)                     | Ton/ annum          | NA                                     | NA                                      |
| Volatile organic compounds (VOC)                        | Ton/ annum          | NA                                     | NA                                      |
| Hazardous air pollutants (HAP)                          |                     |                                        |                                         |
| Others – Ozone Depleting Substances (HCFC – 22 or R-22) | Ton/annum           | NA                                     | NA                                      |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**7) Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

| Parameter                                                                                                                                                                                                    | Unit                               | FY 2025-26<br>(Current Financial Year) | FY 2024-25<br>(Previous Financial Year) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------------|-----------------------------------------|
| <b>Total Scope 1 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)                                                                                                  | Metric tonnes of CO2 equivalent    | 185250.501                             | 171832.14                               |
| <b>Total Scope 2 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)                                                                                                  | Metric tonnes of CO2 equivalent    | 23310.061                              | 101307.69                               |
| Total Scope 1 and Scope 2 emissions per rupee of turnover                                                                                                                                                    | Metric tonnes of CO2 equivalent    | 0.0000110795                           | 0.0000123009                            |
| <b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | Emission/ Ton of Production MT/TON | 0.000222587 MT/USD                     | 0.000250692 MT/USD                      |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output                                                                                                                                     |                                    | –                                      | –                                       |
| <b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity                                                                                           |                                    | –                                      | –                                       |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**8) Does the entity have any project related to reducing Green House Gas emissions? If Yes, then provide details.**

As a part of our mission to be carbon neutral by 2035, we are using Biomass for the Boiler and Power from Grid with the Reliability index of 99%. We are embarking on journey by taking up Roof top Solar system also. We use DG Power, which is less than 1% of our total Grid power. We are reducing our carbon footprint by adopting cleaner processes, while increasing energy and resource efficiencies. Our aim is to be carbon neutral by 2035 based on improvements in energy efficiency and embracing renewable energy, among other initiatives.

9) Provide details related to waste management by the entity, in the following format:

| Parameter                                                                                                                                                     | FY 2025-26<br>(Current Financial Year) | FY 2024-25<br>(Previous Financial Year) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------------------------------|
| Total Waste generated (in metric tonnes)                                                                                                                      |                                        |                                         |
| Plastic waste (A)                                                                                                                                             | 33.358                                 | 68.326                                  |
| E-waste (B)                                                                                                                                                   | 1.45                                   | 2.16                                    |
| Bio-medical waste (C)                                                                                                                                         | 0                                      | 0                                       |
| Construction and demolition waste (D)                                                                                                                         | 0                                      | 0                                       |
| Battery waste (E)                                                                                                                                             | 1.5                                    | 1.2                                     |
| Radioactive waste (F)                                                                                                                                         | 0                                      | 0                                       |
| Other Hazardous waste. Please specify, if any.                                                                                                                |                                        |                                         |
| (G) (Empty container (179.7) + MEE -Waste salt (4519.9))+ Chemical Sludge (144))                                                                              | 2687.4                                 | 2607.2                                  |
| Other Non-hazardous waste generated (H). Please specify, if any.                                                                                              |                                        |                                         |
| (Break-up by composition i.e. by materials relevant to the sector)                                                                                            | 4614.83                                | 4504.77                                 |
| <b>Total (A+B + C + D + E + F + G + H)</b>                                                                                                                    | <b>7338.538</b>                        | <b>7183.657</b>                         |
| <b>Waste intensity per rupee of turnover</b><br>(Total Waste Generated / Revenue from Operations)                                                             | 0.0000003899                           | 0.0000003235                            |
| <b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b><br>(Total waste generated / Revenue from operations adjusted for PPP) | 0.00000783 MT/USD                      | 0.00000659 MT/USD                       |
| <b>Waste intensity in terms of physical output</b>                                                                                                            | –                                      | –                                       |
| <b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity                                                                         | –                                      | –                                       |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations<br/>(in metric tonnes)</b>            |                                        |                                         |
| Category of waste                                                                                                                                             |                                        |                                         |
| i) Recycled                                                                                                                                                   | 2006                                   | 1106                                    |
| ii) Re-used                                                                                                                                                   | –                                      | –                                       |
| iii) Other recovery operations                                                                                                                                | 2680                                   | 3157                                    |
| <b>Total</b>                                                                                                                                                  | <b>4386</b>                            | <b>4263</b>                             |
| <b>For each category of waste generated, total waste disposed by nature of disposal method<br/>(in metric tonnes)</b>                                         |                                        |                                         |
| Category of waste                                                                                                                                             |                                        |                                         |
| i) Incineration                                                                                                                                               | 0                                      | 0                                       |
| ii) Landfilling                                                                                                                                               | 2634.54                                | 2655.6                                  |
| iii) Other disposal operations                                                                                                                                | 22.1                                   | 4.81                                    |
| <b>Total</b>                                                                                                                                                  | <b>2656.64</b>                         | <b>2660.41</b>                          |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**10) Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Himatsingka is leading the way in reducing waste by operating a zero-paper shop floor, reducing the use of plastics, introducing sustainable packaging solutions and reusing waste. Our 'conscious portfolio' innovatively uses recycled fibers, natural finishes and reduced water consumption in the manufacturing process.





We have Saved and Re-purposed 964 Tonnes of Waste.

The Company has a mechanism to recycle products and waste. Over 99% of all waste is recycled through KSPCB Authorized Vendors.

**11) If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

| Sl. No. | Initiative undertaken | Details of the initiative<br>(Web-link, if any, may be provided<br>along-with summary) | Outcome of the initiative |
|---------|-----------------------|----------------------------------------------------------------------------------------|---------------------------|
| NA      |                       |                                                                                        |                           |

**12) Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web Link |
|-----------------------------------|----------------------|------|-------------------------------------------------------------|--------------------------------------------------|-------------------|
| NIL                               |                      |      |                                                             |                                                  |                   |

**13) Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, The Company is complying to all applicable environmental law / regulations / guidelines such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules.

| S. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the non compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|--------|-----------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------|
| NIL    |                                                                       |                                       |                                                                                                           |                                 |

#### Leadership Indicators

**1) Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

None of the plants of the Company are in the areas of water stress

- i) Name of the area:
  - ii) Nature of operations:
  - iii) Water withdrawal, consumption and discharge in the following format:
- Not Applicable

| Parameter                                                                             | FY 2025-26<br>(Current Financial Year)                             | FY 2024-25<br>(Previous Financial Year) |
|---------------------------------------------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------|
| <b>Water Withdrawal by Source (In Kilo-litre)</b>                                     |                                                                    |                                         |
| i) Surface Water                                                                      | None of the plants of the Company are in the areas of water stress |                                         |
| ii) Ground Water                                                                      |                                                                    |                                         |
| iii) Third Party                                                                      |                                                                    |                                         |
| iv) Seawater / desalinated water                                                      |                                                                    |                                         |
| v) Others                                                                             |                                                                    |                                         |
| <b>Total Volume of water withdrawal (In Kilolitres)</b>                               |                                                                    |                                         |
| <b>Total volume of water consumption (in kilolitres)</b>                              |                                                                    |                                         |
| <b>Water intensity per rupee of turnover</b> (Water consumed / turnover)              |                                                                    |                                         |
| <b>Water intensity</b> (optional) – the relevant metric may be selected by the entity |                                                                    |                                         |

| Water discharge by destination and level of treatment (in kilolitres) |                |
|-----------------------------------------------------------------------|----------------|
| i) Into Surface water                                                 | Not Applicable |
| – No treatment                                                        |                |
| – With treatment – please specify level of treatment                  |                |
| ii) Into Groundwater                                                  |                |
| – No treatment                                                        |                |
| – With treatment – please specify level of treatment                  |                |
| iii) Into Seawater                                                    |                |
| – No treatment                                                        |                |
| – With treatment – please specify level of treatment                  |                |
| iv) Sent to third-parties                                             |                |
| No treatment                                                          |                |
| With treatment – please specify level of treatment                    |                |
| v) Others                                                             |                |
| No treatment                                                          |                |
| With treatment – please specify level of treatment                    |                |
| <b>Total Water discharged (In Kilolitre)</b>                          |                |

**Note:** Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable

**2) Please provide details of total Scope 3 emissions & its intensity, in the following format: Not Applicable**

| Parameter                                                                                                                                                             | Unit | FY 2025-26<br>(Current Financial Year) | FY 2024-25<br>(Previous Financial Year) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------------------------------------|-----------------------------------------|
| Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) |      | –                                      | –                                       |
| Total Scope 3 emissions per rupee of turnover                                                                                                                         |      | –                                      | –                                       |
| Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity                                                                       |      | –                                      | –                                       |

**3) With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable

**4) If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

| Sl. No | Initiative undertaken                                   | Details of the initiative (Web-link, if any, may be provided along-with summary)                                               | Outcome of the initiative                                                                                                                                                                         |
|--------|---------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | ZLD (Zero Liquid discharge of treated effluent) -System | Entire effluent generated from process is being treated to recycling standards, recovered and re-used for production activity. | Water requirement for production activity only through the recycled water and meeting ZLD.<br><br>No discharge of effluent and meeting production water requirement through recovered water only. |
| 2.     | Water savings in process production                     | Reduced water consumption from 40 KL/Ton of production to 39.4 KL/Ton of production                                            | Reduced effluent generation followed by reduction in operational cost.                                                                                                                            |



**5) Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

The business continuity and disaster management plan is part of the internal Information Security/ Cyber Security Policy. Appropriate contingency and data back-up plans are formulated to ensure that the organization is able to effectively deal with major disasters, to protect critical business process from the effects of major failures and ensure their timely resumption.

**6) Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No significant impact.

**7) Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

None

**8) How many Green Credits have been generated or procured:**

a) By the listed entity: Nil

b) By the top ten (in terms of value of purchases and sales, respectively) value chain partners: Nil

**PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

**Essential Indicators**

**1) a) Number of affiliations with trade and industry chambers / associations.**

The Company is a member of three (3) trade and industry chambers / associations.

**b) List the top 10 trade and industry chambers / associations (determined based on the total members of such a body) the entity is a member of / affiliated to.**

| Sl. No. | Name of the trade and industry chambers / associations           | Reach of trade and industry chambers / associations (State / National) |
|---------|------------------------------------------------------------------|------------------------------------------------------------------------|
| 1.      | TEXPROCIL – Cotton Textile Export Promotion Council              | National                                                               |
| 2.      | FKCCI – Federation of Karnataka Chamber of Commerce and Industry | State                                                                  |
| 3.      | BCIC – Bangalore Chamber of Industry and Commerce                | State                                                                  |

**2) Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

No adverse orders received from regulatory authorities for anti-competitive conduct.

| Name of authority     | Brief of the case | Corrective action taken |
|-----------------------|-------------------|-------------------------|
| Nil                   |                   |                         |
| Leadership Indicators |                   |                         |

**1) Details of public policy positions advocated by the entity:**

The Company has advocated on economic reforms, export policies and infrastructural needs through various trade and industry chambers/ associations organizations.

| Sl. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in the public domain? (Yes / No) | Frequency of Review by Board (Annually / Half yearly / Quarterly / Others – please specify) | Web Link, if available |
|---------|-------------------------|-----------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------|------------------------|
| Nil     |                         |                                   |                                                                |                                                                                             |                        |

## PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

| Essential Indicators                                                                                                                        |                      |                      |                                                             |                                                  |                   |
|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|-------------------------------------------------------------|--------------------------------------------------|-------------------|
| 1) Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year. |                      |                      |                                                             |                                                  |                   |
| Name and brief details of project                                                                                                           | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
| Not Applicable                                                                                                                              |                      |                      |                                                             |                                                  |                   |

2) Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not applicable

| Sl. No.        | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In INR) |
|----------------|------------------------------------------|-------|----------|-----------------------------------------|--------------------------|-----------------------------------------|
| Not applicable |                                          |       |          |                                         |                          |                                         |

3) Describe the mechanisms to receive and redress grievances of the community.

At Himatsingka we believe that the growth of our company depends on the economic, environmental and social sustainability of our communities.

Company is informed of any grievances from communities through face to face meetings or through any medium. The focus areas are decided based on the requirements or recommendations received by the general public or nearby panchayats. In addition, the Company also has an internal grievance mechanism that covers all our stakeholders including communities in which we operate.

4) Percentage of input material (inputs to total inputs by value) sourced from suppliers:

The Company sources goods and services from the area surrounding its operating facilities to the extent possible.

|                                                                     | FY 2025-26<br>Current Financial Year | FY 2024-25<br>Previous Financial Year |
|---------------------------------------------------------------------|--------------------------------------|---------------------------------------|
| Directly sourced from MSMEs/ small producers                        | 59.07%                               | 47.16%                                |
| Sourced directly from within the district and neighboring districts | 35.54%                               | 47.79%                                |

5) Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

| Location     | FY 2025-26<br>Current Financial Year | FY 2024-25<br>Previous Financial Year |
|--------------|--------------------------------------|---------------------------------------|
| Rural        | –                                    | –                                     |
| – Semi-Urban | –                                    | –                                     |
| Urban        | 18.63%                               | 16%                                   |
| Metropolitan | 81.37%                               | 84%                                   |

(Place to be categorized as per RBI Classification System – rural / semi-urban / urban / metropolitan)

| Leadership Indicators                                                                                                                                                          |                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| 1) Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): |                         |
| Details of negative social impact identified                                                                                                                                   | Corrective action taken |
| Not Applicable                                                                                                                                                                 |                         |





**2) Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

The Companies plant locations does not fall under Aspirational districts. Hence CSR Projects do not cover any designated aspirational districts

| Sl.No.         | State | Aspirational District | Amount spent (In INR) |
|----------------|-------|-----------------------|-----------------------|
| Not applicable |       |                       |                       |

**3) a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No)**

No

**b) From which marginalized / vulnerable groups do you procure?**

Not Applicable

**c) What percentage of total procurement (by value) does it constitute?**

Not Applicable

**4) Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

| Sl. No. | Intellectual Property based on traditional knowledge | Owned / Acquired (Yes/No) | Benefit shared (Yes / No) | Basis of calculating benefit share |
|---------|------------------------------------------------------|---------------------------|---------------------------|------------------------------------|
| Nil     |                                                      |                           |                           |                                    |

**5) Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

| Name of authority | Brief of the Case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Not Applicable    |                   |                         |

**6) Details of beneficiaries of CSR Projects:**

| Sl. No. | CSR Project                                                                                                                                                                                                                                                                                                                                                                                                                        | No. of persons benefited from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------------------------|
| 1.      | <p>The Company has spent towards Corporate Social Responsibility as per the statutory requirements in areas permitted under the Companies Act, 2013 and as per the CSR Policy adopted by the Company.</p> <p>The Company has not undertaken any social impact assessment and hence quantification of persons benefited under CSR projects or beneficiaries of people from vulnerable and marginalized groups is not available.</p> |                                            |                                                            |

**PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

**Essential Indicators**

**1) Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

We have the following mechanism in place to receive and respond to Customer complaints:

**Customer Complaints:**

- Acknowledge the email from customer within 24hrs.
- Log the complaint in the complaint register and send the detail to factory along with the complaint number.
- Root cause analysis will be done by the factory team and the Corrective and preventive Action (CAPA) to be submitted with in 48hrs.
- CAPA will be submitted to Customer with the assurance that it won't occur in the future.
- Closure to the complaint will be made with a replacement of the product or with a credit note, based on the agreement.

**Customer Feedback:**

- Customer Feedback will be assessed through Customer Satisfaction Form.
- There is a questionnaire (set of 10 questions under different parameters) that will be sent to customer at the end of every fiscal year.
- Customer will rate our service 1 to 10 (Not Satisfactory/Good/Very Good/Excellent) under each of the parameters in the feedback form.
- The feedback form will be reviewed with factory once we receive it from the Customers.
- The respective department submit their CAP if their service is rated 7 or below (Not Satisfactory/Good) for Management review.
- The continuous improvement in the service level will be monitored by the Senior Management team.

**2) Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:**

The Company adheres to all the applicable regulations regarding product labelling and display's relevant information on it.

|                                                             | As a percentage to total turnover |
|-------------------------------------------------------------|-----------------------------------|
| Environmental and social parameters relevant to the product | 86%                               |
| Safe and responsible usage                                  | 74%                               |
| Recycling and/or safe disposal                              | 21%                               |

**3) Number of consumer complaints in respect of the following:**

|                                | FY 2025-26<br>(Current Financial Year) |                                   | Remarks                                        | FY 2024-25<br>(Previous Financial Year) |                                   | Remarks                                        |
|--------------------------------|----------------------------------------|-----------------------------------|------------------------------------------------|-----------------------------------------|-----------------------------------|------------------------------------------------|
|                                | Received during the year               | Pending resolution at end of year |                                                | Received during the year                | Pending resolution at end of year |                                                |
| Data privacy                   | 0                                      | 0                                 |                                                | 0                                       | 0                                 |                                                |
| Advertising                    | 0                                      | 0                                 |                                                | 0                                       | 0                                 |                                                |
| Cyber-security                 | 0                                      | 0                                 |                                                | 0                                       | 0                                 |                                                |
| Delivery of essential services | 2                                      | 0                                 | All the complaints were attended and resolved. | 2                                       | 0                                 | All the complaints were attended and resolved. |
| Restrictive Trade Practices    | 0                                      | 0                                 |                                                | 0                                       | 0                                 |                                                |
| Unfair Trade Practices         | 0                                      | 0                                 |                                                | 0                                       | 0                                 |                                                |
| Other                          | 1                                      | 0                                 | All the complaints were attended and resolved. | 2                                       | 0                                 | All the complaints were attended and resolved. |
| <b>Total</b>                   | <b>3</b>                               | <b>0</b>                          |                                                | <b>4</b>                                | <b>0</b>                          |                                                |

**4) Details of instances of product recalls on account of safety issues:**

Not Applicable

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | Nil    |                    |
| Forced recalls    |        |                    |

**5) Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

The Company has an internal Information Security / Cyber Security Policy. The objective of the policy is to provide management direction and support for Information Security in accordance to the business requirements, relevant laws and regulations.

The policy applies to employees, contractors, consultants, temporary workers and other workers at Himatsingka Seide Limited (HSL), including all personnel affiliated with third parties. The policy also applies to all equipment that is owned or leased by HSL.

The information security policy is communicated to all the employees and is made available to relevant interested parties. All staff will receive at the minimum a yearly information security awareness e-mail.

The organization works to protect the integrity of its software and its information assets against the introduction of malicious code (malware).

**6) Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:**

None

**7) Provide the following information relating to data breaches:**

**a) Number of instances of data breaches**

None

**b) Percentage of data breaches involving personally identifiable information of customers**

NIL

**c) Impact, if any, of the data breaches**

NA

**Leadership Indicators**

**1) Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

<https://www.himatsingka.com/brands>

**2) Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Our business success depends upon our ability to foster lasting customer relationships. The Company is committed to dealing with customers fairly, honestly and with integrity. We take measures to ensure information

We supply to customers should be accurate and complete to the best of our knowledge, and we should not deliberately misrepresent information to customers. Our Product labels have all the valid and required information.

**3) Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Our products do not form part of essential services. Hence not applicable.

**4) Does the entity display product information on the product over and above what is mandated as per local laws? (Yes / No / Not Applicable) If yes, provide details in brief.**

Not Applicable

**5) Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes / No)**

Yes, through informal communications

# Independent Auditors' Report

To the Members of Himatsingka Seide Limited

## Report on the Audit of the Standalone Financial Statements

### OPINION

We have audited the accompanying standalone financial statements of Himatsingka Seide Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

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

### BASIS FOR OPINION

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

### KEY AUDIT MATTERS

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



**Independent Auditors' Report to the Members of Himatsingka Seide Limited on the Audit of the Standalone Financial Statements of Himatsingka Seide Limited for the year ended 31 March 2026 (continued)**

| Sl.No. | Key Audit Matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | How the Key Audit Matters was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | <p><b>Assessment for impairment of investments in subsidiaries</b></p> <p>(Refer Note 2.14 and 2.15 to the material accounting policies and the disclosures related to carrying value of investments in subsidiaries in Note 4 to the standalone financial statements)</p> <p>At March 31, 2026, the balance sheet includes investment in subsidiaries amounting to ₹ 99,059.33 lacs which constitutes 16.26% of the total assets of the Company.</p> <p>The Company performs periodic assessment of these investments to identify any indicators of impairment and make adequate provisions in accordance with Ind AS 36 Impairment of Assets. The determination of recoverable value for impairment assessment, being higher of fair value less costs of disposal and value in use, involves significant judgements and involves various estimates including weighted average cost of capital; sales growth rate; operating margins (%); discount rate (%); and perpetuity growth rate (%).</p> <p>Changes in these assumptions, if any, could lead to significant changes in the value of investment in subsidiaries and accordingly impairment provision. Considering the significant degree of management judgement involved in the assumptions used for computation of the recoverable amount, this is determined as key audit matter.</p> | <p>Our audit procedures in respect of this area included:</p> <ol style="list-style-type: none"> <li>1. Assessed whether the Company's accounting policies relating to the impairment of investments in subsidiaries are in accordance with Ind AS 36 Impairment of Assets.</li> <li>2. Obtained an understanding of the Company's process for identification of indicators of impairment and tested the design and operating effectiveness of internal controls over such identification and impairment of identified investments through fair valuation of investments.</li> <li>3. Evaluated and challenged management's assumptions such as implied growth rates during explicit period, terminal growth rate, targeted savings and discount rate, and operating margins, for their appropriateness based on our understanding of the business of the subsidiaries, past results and external factors such as industry trends.</li> <li>4. Involved our valuation specialists to test the underlying assumptions used by management along with their external experts in computing recoverable value of investments in subsidiaries, such as weighted average cost of capital, sales growth rate, operating margins, perpetuity growth rate and discount rate.</li> <li>5. Evaluated the competence and objectivity of the valuation specialist engaged by the management.</li> <li>6. Performed sensitivity analysis of aforesaid key assumptions to assess the effect of reasonably possible variations on the current estimated recoverable amounts of investments to evaluate sufficiency of headroom between recoverable values and carrying amounts.</li> <li>7. Tested the arithmetical accuracy of the management's impairment testing model.</li> <li>8. Assessed and validated the adequacy and appropriateness of the related presentation and disclosures made by the management as per the requirements of Ind AS 36: "Impairment of Assets" in the standalone financial statements.</li> </ol> |

**Independent Auditors' Report to the Members of Himatsingka Seide Limited on the Audit of the Standalone Financial Statements of Himatsingka Seide Limited for the year ended 31 March 2026 (continued)**

| Sl.No. | Key Audit Matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | How the Key Audit Matters was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.     | <p><b>Recognition of government grants and assessment of its recoverability</b></p> <p>(Refer Note 2.5 to material accounting policies and the disclosures related to government grants in Note 6 and 8 to the accompanying standalone financial statements.)</p> <p>The Company is eligible for government grants under various schemes enacted by the State and the Central Government.</p> <p>Each of these schemes requires fulfilment of certain conditions by the Company to be eligible to receive the grant.</p> <p>Recognition of grants (including its classification as capital or revenue grant) requires a suitable assurance by the Company towards compliance with the conditions specified in the relevant schemes and that the grants will be received. The assessment of fulfilment of relevant conditions specified in the grant at the time of recognition involves judgement and assumptions which are subject to uncertainty. The Company reassesses the recoverability of these grants at each balance sheet date.</p> <p>We have identified recognition of grant and assessment of its recoverability as a key audit matter because of the complexities in establishing the compliance with the eligibility conditions of the grant and judgement involved towards assessment of its recoverability and related provisions made considering the delayed recoveries in accordance with Ind AS 109 'Financial Instruments'.</p> | <p>Our audit procedures in respect of this area included:</p> <ol style="list-style-type: none"> <li>1. Evaluated the government grant accounting policies adopted by the management of the Company, for compliance are with Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance.</li> <li>2. Tested the design and operating effectiveness of internal controls with respect to recognition of grants (including its classification as capital or revenue grant) and assessment of its recoverability.</li> <li>3. Performed substantive testing, on a sample basis, towards recognition of grants in accordance with the respective schemes, its classification as revenue or capital grant and verified the same with supporting documents.</li> <li>4. Evaluated the Company's assessment of recoverability of respective grants based on ageing analysis and obtained explanations from management to assess the adequacy of the level of provision, if any, required for amounts considered recoverable.</li> <li>5. Tested the ageing analysis for matter that are not under litigation, and assessed the information used by the management to determine the recoverability of these grants by considering collections against historical trends.</li> <li>6. Tested the arithmetical accuracy of the calculation of accrual of export benefits and prevailing discount on e-Scrips in compliance with the relevant conditions as specified in the notifications and policies, as applicable.</li> <li>7. Evaluated management's assessment of determination of provision for time value of money determined on the basis of expected credit loss methodology, evaluated the reasonableness of expected credit loss amount and assessed whether the requirements of applicable accounting principles have been complied.</li> <li>8. Assessed and validated the adequacy and appropriateness of the disclosures made by the management as per requirement of Ind AS 20 – 'Accounting for Government Grants and Disclosure of Government Assistance' in the standalone financial statements.</li> </ol> |



## **Independent Auditors' Report to the Members of Himatsingka Seide Limited on the Audit of the Standalone Financial Statements of Himatsingka Seide Limited for the year ended 31 March 2026 (continued)**

### **INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Company's Board of Directors are responsible for the other information. The other information comprises the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE STANDALONE FINANCIAL STATEMENTS**

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS**

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

We give in "Annexure A", a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone financial statements 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 (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone financial statements;

**Independent Auditors' Report to the Members of Himatsingka Seide Limited on the Audit of the Standalone Financial Statements of Himatsingka Seide Limited for the year ended 31 March 2026 (continued)**

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2 (b) above on reporting under Section 143(3)(b) and paragraph 2 (h) (vi) below on reporting under Rule 11(g);
- g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C";
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statement – Refer Note 28 to the standalone financial statements.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.
  - iv)
    - a) To the best of our knowledge and belief, as disclosed in the note 39(vi) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the 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, 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) To the best of our knowledge and belief, as disclosed in the note 39(vi) to the standalone financial statements, 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
  - v) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 40(ii) to the standalone financial statements).
- vi) In regard to the accounting software (SAP):

Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of this accounting software to log any direct data changes as explained in Note 39(xi(a)) to the standalone financial statements.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.





In regard to the accounting software (Saral and Zing HR):

Based on our examination which included test checks, the Company has used certain accounting softwares for maintaining its books of account (managed and maintained by a third-party software service provider) which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software as explained in Note 39(xi(b)) to the standalone financial statements. Further, during the course of our audit and considering SOC report, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention.

3. In our opinion, according to information, explanations given to us , the remuneration paid or provided by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act.

For **M S K A & Associates LLP**  
**(Formerly known as M S K A & Associates)**  
*Chartered Accountants*  
ICAI Firm Registration No. 105047W/W101187

**Vikram Dhanania**  
*Partner*  
Membership No.: 060568  
UDIN: 26060568RLNIZR2090

**Place: Bengaluru**  
**Date : May 27, 2026**

## Annexure A to the independent Auditors' Report on even date on the Standalone Financial Statements of Himatsingka Seide Limited

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

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

For **M S K A & Associates LLP**  
(Formerly known as M S K A & Associates)  
Chartered Accountants  
ICAI Firm Registration No. 105047W/W101187

**Vikram Dhanania**  
Partner  
Membership No.: 060568  
UDIN: 26060568RLNIZR2090

**Place: Bengaluru**  
**Date : May 27, 2026**

## Annexure B to Independent Auditors' Report of even date on the Standalone Financial Statements of Himatsingka Seide Limited for the year ended 31 March 2026

### Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report

- i) a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.
- B) The Company has maintained proper records showing full particulars of intangible assets.
- b) All the property, plant and equipment and right of use assets have not been physically verified by the management during the year but there is a regular programme of verification (once in 2 years), which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements are held in the name of the Company except for immovable properties acquired through a lease cum sale agreement with Karnataka Industrial Area Development Board ('KIADB') amounting to ₹ 6,585.19 lacs. Further, the title deeds of immovable properties aggregating to ₹ 16,833.51 lakhs as at March 31, 2026, are mortgaged by way of deposit of title deeds with the banks. The same has been independently confirmed by the bank to us and verified by us.

| Sl. No. | Description of property | Gross carrying value (₹ in lacs) | Held in the name of | Whether promoter, director or their relative or employee | Period held – Indicate range, where appropriate | Reason for not being held in name of Company (also indicate if in dispute)          |
|---------|-------------------------|----------------------------------|---------------------|----------------------------------------------------------|-------------------------------------------------|-------------------------------------------------------------------------------------|
| 1.      | Land                    | 6,585.19                         | KIADB               | No                                                       | Various periods                                 | Property will be transferred in the name of the Company post expiry of lease period |

- d) According to the information and explanations given to us, the Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.
- e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.
- ii) a) The inventory (excluding stocks with third parties and stocks-in-transit) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and in respect of goods in transit, some of these goods have been received subsequent to the year end. No discrepancies were noticed in respect of such confirmations. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- b) During any point of time of the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from Banks and/ financial institutions on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of accounts of the Company. Refer Note 17.3 to the standalone financial statements.
- iii) According to the information and explanations provided to us, the Company has not made any investments in, or 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. Accordingly, the provisions stated under clause 3(iii) of the Order are not applicable to the Company.
- iv) According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 ('the Act') in respect of loans, investments, guarantees and security made, wherever applicable.
- v) According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

**Annexure B to the Independent Auditors' Report of even date on the Standalone Financial Statements of Himatsingka Seide Limited for the year ended 31 March 2026 (Continued)**

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

vii) a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities, though there have been slight delays in a few cases. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and the records examined by us, dues relating to goods and services tax, provident fund etc. which have not been deposited as on March 31, 2026, on account of any dispute, are as follows:

| Name of the statute             | Nature of dues           | Amount demanded (₹ in Lacs) | Period to which the amount relates                   | Forum where dispute is pending |
|---------------------------------|--------------------------|-----------------------------|------------------------------------------------------|--------------------------------|
| Income-tax Act, 1961            | Income-tax               | 30.50                       | AY 2006-07, 2009-10                                  | ITAT, Kolkata                  |
| Income-tax Act, 1961            | Income-tax               | 663.61                      | AY 2008-09, 2010-11<br>2012-13, 2013-14              | ITAT, Kolkata                  |
| Income-tax Act, 1961            | Income-tax               | 251.78                      | 2014-15, 2017-18                                     | CIT(A), Kolkata                |
| Income-tax Act, 1961            | Income-tax               | 80.12                       | AY 2018-19                                           | CIT(A), Kolkata                |
| Income-tax Act, 1961            | Income-tax               | 1,132.10                    | AY 2021-22, 2016-17                                  | CIT(A), Kolkata                |
| Income-tax Act, 1961            | Income-tax               | 247.03                      | AY 2019-20, 2020-21                                  | CIT(A), Kolkata                |
| Income-tax Act, 1961            | Income-tax               | 2,776.11                    | AY 2022-23, 2023-24                                  | CIT(A), Kolkata                |
| Central Excise Act, 1944        | Excise duty and penalty  | 668.90                      | FY 2002-03 to FY 2009-10<br>FY 2012-13 to FY 2015-16 | CESTAT                         |
| Customs Act, 1962               | Customs duty and penalty | 641.46                      | FY 2015-20                                           | CESTAT                         |
| Goods and Service Tax Act, 2017 | GST                      | 25.12                       | FY 2017-18                                           | JCCT, Bengaluru                |

viii) According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix) a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. Refer Note 14.2 to the standalone financial statements.

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

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



**Annexure B to the Independent Auditors' Report of even date on the Standalone Financial Statements of Himatsingka Seide Limited for the year ended 31 March 2026 (Continued)**

- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries and associate. Accordingly, the requirement to report under Clause 3(ix)(f) of the order is not applicable to the Company
- x) a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.
- xi) a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year in the course of our audit.
- b) During the year no report under Section 143(12) of the Act, has been filed by cost auditor/ secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year
- xii) The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.
- xv) According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi) a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.
- b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.
- c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.
- d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii) Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix) According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 37 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone 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

**Annexure B to the Independent Auditors' Report of even date on the Standalone Financial Statements of Himatsingka Seide Limited for the year ended 31 March 2026 (Continued)**

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) a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Act as disclosed in Note 26.2 to the standalone financial statements.
- b) In respect of ongoing projects, there are no unspent amounts that are required to be transferred to a special account as specified in Schedule VII of the Act as disclosed in note 26.2 to the standalone financial statements.
- xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

For **M S K A & Associates LLP**  
**(Formerly known as M S K A & Associates)**  
*Chartered Accountants*  
ICAI Firm Registration No. 105047W/W101187

**Vikram Dhanania**  
*Partner*  
Membership No.: 060568  
UDIN: 26060568RLNIZR2090

**Place: Bengaluru**  
**Date : May 27, 2026**

## Annexure C to the Independent Auditors' Report of even date on the Standalone Financial Statements of Himatsingka Seide Limited

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Himatsingka Seide Limited on the Standalone Financial Statements for the year ended March 31, 2026]

### Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

#### OPINION

We have audited the internal financial controls with reference to standalone financial statements of Himatsingka Seide Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

#### MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the 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 Act.

#### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

#### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

## **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS**

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

For **M S K A & Associates LLP**  
**(Formerly known as M S K A & Associates)**  
*Chartered Accountants*  
ICAI Firm Registration No. 105047W/W101187

**Vikram Dhanania**  
*Partner*  
Membership No.: 060568  
UDIN: 26060568RLNIZR2090

**Place: Bengaluru**  
**Date : May 27, 2026**



# Standalone Balance Sheet

Himatsingka Seide Limited

CIN: L17112KA1985PLC006647

(₹ Lacs)

| Particulars                                                                               | Note | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------------|------|---------------------|---------------------|
| <b>ASSETS</b>                                                                             |      |                     |                     |
| <b>Non-current assets</b>                                                                 |      |                     |                     |
| Property, plant and equipment                                                             | 3.1  | 1,82,964.99         | 1,93,885.22         |
| Capital work-in-progress                                                                  | 3.1  | 1,939.65            | 1,290.35            |
| Other intangible assets                                                                   | 3.3  | 465.41              | 773.16              |
| Right-of-use assets                                                                       | 29   | 2,187.85            | 2,348.73            |
| Financial assets                                                                          |      |                     |                     |
| i) Investments                                                                            | 4A   | 1,00,032.08         | 1,00,029.89         |
| ii) Other financial assets                                                                | 6    | 2,401.82            | 2,372.14            |
| Income tax assets (net)                                                                   | 7A   | 1,496.56            | 1,496.56            |
| Other non-current assets                                                                  | 8    | 1,344.38            | 2,650.79            |
| <b>Total non-current assets</b>                                                           |      | <b>2,92,832.74</b>  | <b>3,04,846.84</b>  |
| <b>Current assets</b>                                                                     |      |                     |                     |
| Inventories                                                                               | 9    | 64,040.93           | 48,747.73           |
| Financial assets                                                                          |      |                     |                     |
| i) Investments                                                                            | 4B   | 171.91              | 171.91              |
| ii) Trade receivables                                                                     | 10   | 2,07,115.50         | 1,80,646.21         |
| iii) Cash and cash equivalents                                                            | 11A  | 3,740.94            | 6,226.89            |
| iv) Bank balances other than (iii) above                                                  | 11B  | 3,065.92            | 4,407.11            |
| v) Loans                                                                                  | 5    | 23.54               | 135.74              |
| vi) Other financial assets                                                                | 6    | 20,820.09           | 23,613.44           |
| Other current assets                                                                      | 8    | 17,462.03           | 21,012.31           |
| <b>Total current assets</b>                                                               |      | <b>3,16,440.86</b>  | <b>2,84,961.34</b>  |
| <b>Total assets</b>                                                                       |      | <b>6,09,273.60</b>  | <b>5,89,808.18</b>  |
| <b>EQUITY AND LIABILITIES</b>                                                             |      |                     |                     |
| <b>Equity</b>                                                                             |      |                     |                     |
| Equity share capital                                                                      | 12   | 6,287.11            | 6,287.11            |
| Other equity                                                                              | 13   | 2,27,235.78         | 2,24,587.66         |
| <b>Total equity</b>                                                                       |      | <b>2,33,522.89</b>  | <b>2,30,874.77</b>  |
| <b>Liabilities</b>                                                                        |      |                     |                     |
| <b>Non-current liabilities</b>                                                            |      |                     |                     |
| Financial liabilities                                                                     |      |                     |                     |
| i) Borrowings                                                                             | 14   | 1,29,698.39         | 1,35,356.18         |
| ii) Lease liabilities                                                                     | 29   | 1,247.74            | 1,624.84            |
| iii) Other financial liabilities                                                          | 19   | 28.37               | 26.49               |
| Provisions                                                                                | 15   | 2,308.05            | 1,949.21            |
| Deferred tax liabilities (net)                                                            | 7B   | 5,248.68            | 2,773.73            |
| Other non-current liabilities                                                             | 16   | 4,639.52            | 5,102.32            |
| <b>Total non-current liabilities</b>                                                      |      | <b>1,43,170.75</b>  | <b>1,46,832.77</b>  |
| <b>Current liabilities</b>                                                                |      |                     |                     |
| Financial liabilities                                                                     |      |                     |                     |
| i) Borrowings                                                                             | 17   | 1,32,229.40         | 1,16,925.95         |
| ii) Lease liabilities                                                                     | 29   | 377.10              | 336.14              |
| iii) Trade payables                                                                       |      |                     |                     |
| a) Total outstanding dues of micro enterprises and small enterprises                      | 18   | 11,509.61           | 13,821.63           |
| b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 18   | 73,172.21           | 69,740.15           |
| iv) Other financial liabilities                                                           | 19   | 8,895.51            | 5,952.25            |
| Other current liabilities                                                                 | 16   | 1,430.13            | 1,883.18            |
| Provisions                                                                                | 15   | 1,617.41            | 1,214.18            |
| Current tax liabilities (net)                                                             | 7A   | 3,348.59            | 2,227.16            |
| <b>Total current liabilities</b>                                                          |      | <b>2,32,579.96</b>  | <b>2,12,100.64</b>  |
| <b>Total liabilities</b>                                                                  |      | <b>3,75,750.71</b>  | <b>3,58,933.41</b>  |
| <b>Total equity and liabilities</b>                                                       |      | <b>6,09,273.60</b>  | <b>5,89,808.18</b>  |
| Summary of material accounting policies                                                   | 2    |                     |                     |

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

As per our report of even date attached

For **M S K A & Associates LLP**  
(Formerly known as M S K A & Associates)  
Chartered Accountants  
Firm's Registration Number: 105047W/W101187

**Vikram Dhanania**  
Partner  
Membership Number : 060568

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**D.K. Himatsingka**  
Executive Chairman  
DIN: 00139516

**Sankaranarayanan. M**  
Chief Financial Officer

Place : Bengaluru  
Date : 27 May 2026

**Shrikant Himatsingka**  
Executive Vice Chairman & Managing Director  
DIN: 00122103

**Bindu D**  
Company Secretary  
Membership number: A23290

Place : Bengaluru  
Date : 27 May 2026

# Standalone Statement of Profit and Loss

Himatsingka Seide Limited

CIN: L17112KA1985PLC006647

(₹ Lacs)

| Particulars                                                                 | Note | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|-----------------------------------------------------------------------------|------|-----------------------------|-----------------------------|
| <b>Income</b>                                                               |      |                             |                             |
| Revenue from operations                                                     | 20   | 1,88,239.76                 | 2,22,048.99                 |
| Other income                                                                | 21   | 19,543.08                   | 4,726.74                    |
| <b>Total income</b>                                                         |      | <b>2,07,782.84</b>          | <b>2,26,775.73</b>          |
| <b>Expenses</b>                                                             |      |                             |                             |
| Cost of raw materials and packing materials consumed                        | 22A  | 1,07,095.71                 | 1,21,686.56                 |
| Changes in inventories of finished goods and work-in-progress               | 22B  | (14,784.81)                 | (7,884.57)                  |
| Employee benefits expense                                                   | 23   | 24,958.91                   | 24,451.92                   |
| Finance costs                                                               | 24   | 26,291.40                   | 26,830.61                   |
| Depreciation and amortisation expense                                       | 25   | 11,623.08                   | 11,576.18                   |
| Other expenses                                                              | 26   | 40,725.47                   | 41,604.80                   |
| <b>Total expenses</b>                                                       |      | <b>1,95,909.76</b>          | <b>2,18,265.50</b>          |
| <b>Profit before tax</b>                                                    |      | <b>11,873.08</b>            | <b>8,510.23</b>             |
| <b>Income tax expense</b>                                                   |      |                             |                             |
| Current tax                                                                 | 31   | 2,343.00                    | 2,789.00                    |
| Deferred tax charge / (credit)                                              | 31   | 3,517.00                    | (8,947.36)                  |
| <b>Total tax expense</b>                                                    |      | <b>5,860.00</b>             | <b>(6,158.36)</b>           |
| <b>Profit for the year</b>                                                  |      | <b>6,013.08</b>             | <b>14,668.59</b>            |
| <b>Other comprehensive income</b>                                           |      |                             |                             |
| A) Items that will not be reclassified to profit or loss                    |      |                             |                             |
| Re-measurements of defined employee benefit plan                            |      | (153.94)                    | 324.59                      |
| Income tax effect on above                                                  |      | 53.79                       | (113.43)                    |
| B) Items that will be reclassified to profit or loss                        |      |                             |                             |
| Effective portion of gain/(loss) on hedging instruments in cash flow hedges |      | (3,938.46)                  | 12.75                       |
| Income tax effect on above                                                  |      | 988.25                      | (4.45)                      |
| <b>Other comprehensive income for the year, net of tax</b>                  |      | <b>(3,050.36)</b>           | <b>219.46</b>               |
| <b>Total comprehensive income for the year</b>                              |      | <b>2,962.72</b>             | <b>14,888.05</b>            |
| <b>Earnings per equity share (face value of ₹ 5 each)</b>                   |      |                             |                             |
| Basic (in ₹)                                                                | 32   | 4.78                        | 13.35                       |
| Diluted (in ₹)                                                              | 32   | 4.78                        | 12.90                       |
| Summary of material accounting policies                                     | 2    |                             |                             |

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

As per our report of even date attached

For **M S K A & Associates LLP**  
(Formerly known as M S K A & Associates)  
Chartered Accountants  
Firm's Registration Number: 105047W/W101187

**Vikram Dhanania**  
Partner  
Membership Number : 060568

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**D.K. Himatsingka**  
Executive Chairman  
DIN: 00139516

**Sankaranarayanan. M**  
Chief Financial Officer

**Shrikant Himatsingka**  
Executive Vice Chairman & Managing Director  
DIN: 00122103

**Bindu D**  
Company Secretary  
Membership number: A23290

Place: Bengaluru  
Date : 27 May 2026

Place : Bengaluru  
Date : 27 May 2026

Place : Bengaluru  
Date : 27 May 2026

## Standalone Statement of Changes in Equity

**Himatsingka Seide Limited**

CIN: L17112KA1985PLC006647

| A. Equity share capital (refer note 12)                |                                      |                    |                 |                   |                                      |             | (₹ Lacs)           |
|--------------------------------------------------------|--------------------------------------|--------------------|-----------------|-------------------|--------------------------------------|-------------|--------------------|
| Particulars                                            |                                      |                    |                 |                   |                                      |             | Amount             |
| Balance as at 1 April 2024                             |                                      |                    |                 |                   |                                      |             | 4,922.86           |
| Changes in equity share capital during the year        |                                      |                    |                 |                   |                                      |             | 1,364.25           |
| Balance as at 31 March 2025                            |                                      |                    |                 |                   |                                      |             | 6,287.11           |
| Changes in equity share capital during the year        |                                      |                    |                 |                   |                                      |             |                    |
| Balance as at 31 March 2026                            |                                      |                    |                 |                   |                                      |             | 6,287.11           |
| B. Other equity (refer note 13)                        |                                      |                    |                 |                   |                                      |             |                    |
| Particulars                                            | Reserves and surplus (refer note 13) |                    |                 |                   | Other comprehensive income           |             | Total other equity |
|                                                        | Capital reserve                      | Securities premium | General reserve | Retained earnings | Effective portion of cash flow hedge |             |                    |
| Balance as at 1 April 2024                             | 17.04                                | 27,675.71          | 17,270.17       | 1,28,524.84       | 128.61                               | 1,73,616.37 | 1,73,616.37        |
| Profit for the year                                    | -                                    | --                 | -               | 14,668.59         | -                                    | 14,668.59   | 14,668.59          |
| Securities premium on issue of equity shares           | -                                    | 38,635.74          | -               | -                 | -                                    | 38,635.74   | 38,635.74          |
| Equity fund raising expenses                           | -                                    | (2,306.36)         | -               | -                 | -                                    | (2,306.36)  | (2,306.36)         |
| Other comprehensive income for the year, net of tax    | -                                    | -                  | -               | 211.16            | 8.30                                 | 219.46      | 219.46             |
| Payment of dividend                                    | -                                    | -                  | -               | (246.14)          | -                                    | (246.14)    | (246.14)           |
| Balance as at 31 March 2025                            | 17.04                                | 64,005.09          | 17,270.17       | 1,43,158.45       | 136.91                               | 2,24,587.66 | 2,24,587.66        |
| Balance as at 1 April 2025                             | 17.04                                | 64,005.09          | 17,270.17       | 1,43,158.45       | 136.91                               | 2,24,587.66 | 2,24,587.66        |
| Profit for the year                                    | -                                    | -                  | -               | 6,013.08          | -                                    | 6,013.08    | 6,013.08           |
| Other comprehensive income for the year, net of tax    | -                                    | -                  | -               | (100.15)          | (2,950.21)                           | (3,050.36)  | (3,050.36)         |
| Payment of dividend                                    | -                                    | -                  | -               | (314.60)          | -                                    | (314.60)    | (314.60)           |
| Balance as at 31 March 2026                            | 17.04                                | 64,005.09          | 17,270.17       | 1,48,756.78       | (2,813.30)                           | 2,27,235.78 | 2,27,235.78        |
| Summary of material accounting policies (refer note 2) |                                      |                    |                 |                   |                                      |             |                    |

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

As per our report of even date attached  
**For: M S K A & Associates LLP**  
**(Formerly known as M S K A & Associates)**  
Chartered Accountants  
Firm's Registration Number: 105047W/W/101187

**Vikram Dhanania**  
Partner  
Membership Number : 060568

**D.K. Himatsingka**  
Executive Chairman  
DIN: 00139516

**Sankaranarayanan. M**  
Chief Financial Officer

Place: Bengaluru  
Date : 27 May 2026

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**Shrikant Himatsingka**  
Executive Vice Chairman & Managing Director  
DIN: 00122 103

**Bindu D**  
Company Secretary  
Membership number: A23290

Place: Bengaluru  
Date : 27 May 2026

# Standalone Statement of Cash Flows

Himatsingka Seide Limited

CIN: L17112KA1985PLC006647

(₹ Lacs)

| Particulars                                                                     | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|---------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Cash flows from operating activities</b>                                     |                             |                             |
| Profit before tax                                                               | 11,873.08                   | 8,510.23                    |
| <b>Adjustments for:</b>                                                         |                             |                             |
| Finance costs                                                                   | 26,291.39                   | 26,830.61                   |
| Interest income                                                                 | (471.92)                    | (645.42)                    |
| Loss allowances on financial assets (net)                                       | 1,363.27                    | 1,511.14                    |
| Bad debts written off                                                           | 35.02                       | 66.75                       |
| Net loss on disposal of property, plant and equipment                           | 14.46                       | 7.94                        |
| Amortized value of employee loans and security deposits                         | 19.96                       | 14.94                       |
| Income on financial guarantee contracts                                         | (2.19)                      | (19.36)                     |
| Depreciation and amortisation expense                                           | 11,623.08                   | 11,576.18                   |
| Provision no longer required written back                                       | (93.36)                     | -                           |
| Dividend income                                                                 | (43.75)                     | (231.00)                    |
| Net unrealised foreign exchange gain on operating activities                    | (13,918.22)                 | (299.96)                    |
| Net unrealised foreign exchange (gain) / loss on non operating activities       | 478.66                      | (4.64)                      |
| <b>Operating cash flows before working capital changes</b>                      | <b>37,169.48</b>            | <b>47,317.41</b>            |
| <b>Movement in working capital</b>                                              |                             |                             |
| <b>Adjustment for (increase) / decrease in operating assets:</b>                |                             |                             |
| Trade receivables                                                               | (14,074.87)                 | (24,585.07)                 |
| Inventories                                                                     | (15,293.20)                 | (7,930.26)                  |
| Other assets                                                                    | 6,648.73                    | 2,156.02                    |
| <b>Adjustment for increase / (decrease) in operating liabilities:</b>           |                             |                             |
| Trade payables                                                                  | 764.34                      | 1,014.71                    |
| Provisions                                                                      | 608.12                      | (185.35)                    |
| Other liabilities                                                               | (417.01)                    | 788.62                      |
| <b>Cash generated from operations</b>                                           | <b>15,405.59</b>            | <b>18,576.08</b>            |
| Income taxes paid (net)                                                         | (919.29)                    | (2,951.76)                  |
| <b>Net cash generated from operating activities (A)</b>                         | <b>14,486.30</b>            | <b>15,624.32</b>            |
| <b>Cash flows from investing activities</b>                                     |                             |                             |
| Interest received                                                               | 449.90                      | 583.88                      |
| Dividend received                                                               | 43.75                       | 231.00                      |
| Acquisition of property, plant and equipment and intangible assets (net)        | (2,139.20)                  | (2,142.80)                  |
| Proceeds from sale of property, plant and equipment                             | 12.56                       | (218.30)                    |
| Investments made (refer note 4A.1)                                              | -                           | (2,648.80)                  |
| Bank deposits redeemed during the year                                          | 1,346.25                    | 8,420.86                    |
| <b>Net cash generated from / (used in) investing activities (B)</b>             | <b>(286.74)</b>             | <b>4,225.84</b>             |
| <b>Cash flows from financing activities</b>                                     |                             |                             |
| Proceeds from / (repayment of) current borrowings (net)                         | (12,408.37)                 | 6,098.72                    |
| Proceeds from non-current borrowings                                            | 38,966.09                   | 9,262.72                    |
| Repayment of non-current borrowings                                             | (17,559.18)                 | (38,319.14)                 |
| Dividends paid on equity shares                                                 | (294.48)                    | (246.14)                    |
| Payment of lease liabilities                                                    | (547.14)                    | (114.00)                    |
| Proceeds from government subsidies                                              | 6,200.00                    | -                           |
| Proceeds from issue of equity shares (net of expenses)                          | -                           | 37,693.67                   |
| Interest paid                                                                   | (31,042.43)                 | (30,972.11)                 |
| <b>Net cash flow used in financing activities (C)</b>                           | <b>(16,685.51)</b>          | <b>(16,596.28)</b>          |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>           | <b>(2,485.95)</b>           | <b>3,253.88</b>             |
| Cash and cash equivalents at the beginning of the year                          | 6,226.89                    | 2,973.01                    |
| <b>Cash and cash equivalents at the end of the year</b>                         | <b>3,740.94</b>             | <b>6,226.89</b>             |
| <b>Components of cash and cash equivalents (refer note 11A)</b>                 |                             |                             |
| <b>Cash and cash equivalents comprise of:</b>                                   |                             |                             |
| Cash in hand                                                                    | 3.79                        | 5.57                        |
| Balance with banks                                                              |                             |                             |
| - in current accounts                                                           | 2,735.02                    | 801.90                      |
| - in deposit accounts (with original maturity period of less than three months) | 1,002.13                    | 5,419.42                    |
| <b>Cash and cash equivalents at the end of the year</b>                         | <b>3,740.94</b>             | <b>6,226.89</b>             |



**Reconciliation of movements of liabilities to cash flows arising from financing activities**
**(₹ Lacs)**

|                                                                                 | Opening balance<br>1 April 2025 | Net cash<br>flows  | Non-cash<br>movement | Closing balance<br>31 March 2026 |
|---------------------------------------------------------------------------------|---------------------------------|--------------------|----------------------|----------------------------------|
| Non current borrowings (including current maturities of non current borrowings) | 1,49,120.29                     | 21,406.91          | 756.07               | 1,71,283.27                      |
| Current borrowings (excluding current maturities of non current borrowings)     | 1,03,161.84                     | (12,408.37)        | (108.95)             | 90,644.52                        |
| Interest accrued but not due                                                    | 2,086.99                        | (31,042.43)        | 31,000.81            | 2,045.37                         |
| Lease liabilities                                                               | 1,960.98                        | (547.14)           | 211.00               | 1,624.84                         |
| <b>Total liabilities from financing activities</b>                              | <b>2,56,330.10</b>              | <b>(22,591.03)</b> | <b>31,858.93</b>     | <b>2,65,598.00</b>               |

**Reconciliation of movements of liabilities to cash flows arising from financing activities**
**(₹ Lacs)**

|                                                                                 | Opening balance<br>1 April 2024 | Net cash<br>flows  | Non-cash<br>movement | Closing balance<br>31 March 2025 |
|---------------------------------------------------------------------------------|---------------------------------|--------------------|----------------------|----------------------------------|
| Non current borrowings (including current maturities of non current borrowings) | 1,77,959.95                     | (29,056.42)        | 216.76               | 1,49,120.29                      |
| Current borrowings (excluding current maturities of non current borrowings)     | 97,067.77                       | 6,098.72           | (4.65)               | 1,03,161.84                      |
| Interest accrued but not due                                                    | 2,449.37                        | (30,972.11)        | 30,609.73            | 2,086.99                         |
| Lease liabilities                                                               | –                               | (114.01)           | 2,074.99             | 1,960.98                         |
| <b>Total liabilities from financing activities</b>                              | <b>2,77,477.09</b>              | <b>(54,043.82)</b> | <b>32,896.83</b>     | <b>2,56,330.10</b>               |

The Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

Summary of material accounting policies (refer note 2)

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

As per our report of even date attached

For **M S K A & Associates LLP**  
(Formerly known as M S K A & Associates)

Chartered Accountants

Firm's Registration Number: 105047W/ W101187

**Vikram Dhanania**

Partner

Membership Number : 060568

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**D.K. Himatsingka**

Executive Chairman

DIN: 00139516

**Shrikant Himatsingka**

Executive Vice Chairman & Managing Director

DIN: 00122103

**Sankaranarayanan. M**

Chief Financial Officer

**Bindu D**

Company Secretary

Membership number: A23290

**Place : Bengaluru**

**Date : 27 May 2026**

**Place: Bengaluru**

**Date : 27 May 2026**

**Place: Bengaluru**

**Date : 27 May 2026**

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Corporate information

Himatsingka Seide Limited ('the Company') is a public limited Company incorporated in India and is listed on Bombay Stock Exchange and National Stock Exchange. The Company is primarily engaged in manufacturing of textiles.

The Company's standalone financial statements were approved by the Company's Board of Directors on 27 May 2026.

The registered office of the Company is No.4/1-2, Crescent Road, Bengaluru-560 001.

#### 1.1 Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III and other relevant provisions of the Act

#### 1.2 Basis of preparation

The standalone financial statements have been prepared on the historical cost convention and on an accrual basis of accounting except:

- a) Defined benefit and other long-term employee benefits that are measured at present value of defined benefit obligations less fair value of plan assets.
- b) Certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The Company has prepared the standalone financial statements on the basis that it will continue to operate as a going concern.

#### 1.3 Functional and presentation currency

These standalone financial statements are presented in India Rupees (₹), which is also the Company's functional currency. All amounts have been presented in rupees in lacs and rounded off up to two decimals unless otherwise stated.

#### 1.4 Use of estimates, assumptions and judgements

The preparation of the standalone financial statements in conformity with recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the standalone financial statements and the reported amount of revenue and expenses for the year reported. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the year in which the estimates are revised, and future periods are affected.

#### Assumptions, judgements and estimations

Information about assumptions, judgements and estimations that have a significant risk of resulting in a material adjustment during the year ended 31 March 2026 is summarized below:

##### Determination of the estimated useful lives:

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, these are estimated by management taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

##### Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Impairment testing:

Property, plant and equipment, investments, intangible assets and other assets are tested for impairment at least annually and when event occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

### Expected credit losses on financial assets:

The Company recognises an allowance for expected credit loss (ECL) for all financial assets not held at fair value through profit or loss. ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate (in case of non-current financial assets).

For trade receivables, the Company applies a simplified approach in calculating ECL. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### Provisions & Contingent Liabilities:

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision.

### Government Grants:

The Company is eligible for government grants under various schemes issued by the State and the Central Government. Each of these schemes requires fulfilment of conditions by the Company to be eligible to receive the grant. Recognition of grants (including its classification as capital or revenue grant) requires judgement and assumptions, which are subject to uncertainty, regarding compliance with the conditions specified in the relevant schemes and receipt of the grants. The Company reassesses the recoverability of these grants at each balance sheet date and makes appropriate provision, wherever required.

## 1.5 Measurement of fair values

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

**Level 3** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 33, financial instruments..

### 1.6 Current versus non-current classification

All assets and liabilities have been classified as current or non-current based on the Company's normal operating cycle for its businesses, as per the criteria set out in Schedule III to the Act.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

## 2 Material accounting policies

### 2.1 Revenue recognition

#### Revenue from contracts with customers – sale of goods:

Revenue is recognized upon transfer of control of promised goods to customer in an amount that reflects the consideration the Company expects to receive in exchange for those goods.

The Company derives its revenue primarily from sale of products.

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is measured at transaction price received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For certain contracts that permits the customer to return an item, revenue is recognized to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.

Revenue from sale of products is recognized at a point in time when control is transferred to customer.

The Company applies the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Company then applies the requirements on constraining estimates in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue.

#### Scrap sales:

Revenue from sale of scrap is measured at the transaction price of the consideration received or receivable. Sales are recognized when the significant risks and rewards of ownership, which coincide with transfer of controls of goods, are transferred to the buyer as per the terms of contracts with the customers.

#### Contract balances:

##### Trade receivables

A trade receivable is recognized if the amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section - Financial instruments – initial recognition and subsequent measurement.

##### Cost to obtain a contract and cost to fulfil a contract

Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortised over the contract term as reduction in revenue.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

### 2.2 Other income

Other income comprises interest income, gain / (losses) on disposal of financial assets and non-financial assets. It is recognized on accrual basis except where the receipt of income is uncertain.

Interest income is recognized using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

Dividend income is recognized when the right to receive dividend is established. .



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### 2.3 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease, that is if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

#### i) Right-of-use assets

The Company recognizes a right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date and a lease liability at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less accumulated amortization, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

#### ii) Lease liabilities

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses an incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the statement of profit and loss.

#### iii) Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### 2.4 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs allocated to and utilized for qualifying assets pertaining to the period from commencement of activities directly attributable to the acquisition, construction or production upto the date of capitalisation of such asset are added to the cost of the assets. Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use.

### 2.5 Government grants

Government grants are recognized at their fair value where there is reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Grants related to income are government grants other than those related to assets.

Government grants relating to an expense item are recognized in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented as a deduction in reporting the related expense.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

The presentation approach is applied consistently to all similar grants. Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to statement of profit and loss over the periods and in proportions in which depreciation expense on those assets is recognized.

Income from export incentives is recognized in the statement of profit and loss account when the right to receive credit as per the terms of the entitlement is established in respect of exports made and disclosed as other operating revenues.

Income from government incentives (other than export incentive) are recognized in the statement of profit and loss account when the right to receive credit as per the terms of the entitlement is established and disclosed as a reduction to the related expenses.

### 2.6 Employee benefits

#### a) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead, net interest recognized in profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on plan assets above or below the discount rate is recognized as part of remeasurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

#### b) Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, bonus, short-term compensated absences and performance incentives and are recognized as expenses in the period in which the employee renders the related service.

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short term performance incentive, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the amount of obligation can be estimated reliably.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### c) Compensated absences

The employees of the Company are entitled to compensated absence. The employees can carry-forward a portion of the unutilized accumulating compensated absence and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit Method as at the reporting date. Actuarial gains / (losses) are immediately taken to the statement of profit and loss. The Company presents the entire obligation for compensated absences as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond twelve months from the reporting date.

#### d) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee Provident Fund, ESIC to the regulatory authorities. Such benefits are classified as defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

### 2.7 Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements except for the cases mentioned below.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction.
- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realized. Deferred tax assets, unrecognized or recognized, are reviewed at each reporting date and are recognized/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized.

Minimum alternative tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Ind AS 12 defines deferred tax to include carry forward of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement is grouped with deferred tax assets (net) in the balance sheet.

The Company offsets, the current tax assets and liabilities (on a year on year basis), where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

### 2.8 Property, plant and equipment

#### a) Recognition and measurement:

Items of property, plant and equipment, except land, held for use in the production, supply or administrative purposes, are measured at cost less accumulated depreciation (which includes capitalized borrowing costs, if any) and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing an asset to working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labor and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

Assets in the course of construction are capitalized as capital work-in-progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repair and maintenance costs are recognized in the statement of profit and loss when incurred. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of the assets not put to use before such date are disclosed under Capital work in progress.

### b) Depreciation:

Depreciation is provided on a Straight-Line Method ('SLM') over the estimated useful lives of the property, plant and equipment as estimated by the Management and is recognized in the statement of profit and loss.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

The Company has estimated the useful lives for property, plant and equipment as follows:

| Class of assets                             | Years         |
|---------------------------------------------|---------------|
| Buildings                                   | 10 – 60 years |
| Plant and equipment*                        | 3 – 41 years  |
| Furniture and fixtures                      | 5 – 13 years  |
| Office equipment (Incl books and catalogue) | 3 – 25 years  |
| Vehicles                                    | 6 – 13 years  |

Land is not depreciated.

\* The Management believes that the useful lives as given best represent the period over which the management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for some of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Act.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

## 2.9 Intangible assets

### a) Recognition and measurement

Acquired intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortization and any accumulated impairment loss.

Internally generated intangible assets

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- Its intention to complete and its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset;
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

### b) Subsequent measurement

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### c) Amortization

The Company amortizes intangible assets with a finite useful life using the straight-line method.

The estimated useful lives of intangibles are as follows:

| Class of assets    | Useful life |
|--------------------|-------------|
| Computer software  | 4-10 years  |
| Technical know-how | 10 years    |

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

### d) Derecognition of intangible assets

An intangible asset is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal of an intangible asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

## 2.10 Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash generating unit (CGU) to which the asset belongs.

If such assets/ CGU are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset/ CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

## 2.11 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average formula and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of raw materials and traded goods, cost comprises of cost of purchase and other costs incurred in bringing the inventories to their present location and condition. In the case of finished goods and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases when a decline in the price of materials indicates that the cost of the finished products shall exceed the net realisable value.

The provision for inventory obsolescence is assessed periodically and is provided as considered necessary.

## 2.12 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant functional currency at exchange rates in effect at the balance sheet date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

are generally recognized in the statement of profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

Also refer note 2.4 regarding exchange differences relating to foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

### 2.13 Provisions and contingent liabilities

#### Provisions

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (where the effect of time value of money is material, representing the best estimate of the expenditure required to settle the present obligation at the reporting date) at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of discount is recognized as finance cost.

#### Contingent liabilities

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are disclosed by way of note to the standalone Ind AS financial statements.

### 2.14 Investment in subsidiaries and associates

Investment in subsidiaries and associates are shown at cost less impairment losses if any. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the statement of profit and loss.

On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

### 2.15 Financial Instruments

#### a) Initial recognition and initial measurement

The financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

#### Classification and subsequent measurement

##### i) Financial assets

On initial recognition, a financial asset is classified and measured at:

- amortized cost;
- fair value through other comprehensive income (FVOCI) - debt investment;
- fair value through other comprehensive income (FVOCI) - equity investment; or
- fair value through profit and loss (FVTPL)

Financial assets are not re-classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the Company irrevocably elects to present subsequent changes in the investment's fair value in OCI (designated as FVOCI-equity investment). This election is made on an investment-to-investment basis.

All financial assets not classified as amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### Financial assets: Subsequent measurement and gains and losses

|                                        |                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Financial assets at FVTPL              | These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in the statement of profit and loss.                                                                                                                                                                                                     |
| Financial assets at amortized cost     | These assets are subsequently measured at amortized cost using the effective amortized cost interest method reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.                          |
| Debt instruments at FVOCI              | These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss. |
| Equity investments recognized at FVOCI | These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to the statement of profit and loss.                                          |

### Impairment of financial assets

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

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 month ECL.

### Derecognition of financial assets

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset.

## ii) Financial liabilities

### Classification, subsequent measurement and gains and losses

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

### Amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in profit or loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

### Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the statement of profit and loss.

### Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

## 2.16 Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency risk exposure.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in the statement of profit and loss.

The Company designates their derivatives as hedge instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

### Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivatives is recognized in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognized in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the statement of profit and loss.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in other equity is included directly in the initial cost of the non-financial item when it is recognized. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to the statement of profit and loss in the same period or periods during which the hedged expected future cash flows affect the statement of profit and loss.



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

If a hedge no longer meets the criteria for hedge accounting or the hedging instruments is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to the statement of profit and loss in the same period or periods as the hedged expected future cash flows affect the statement of profit and loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to the statement of profit and loss.

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognized in the statement of profit and loss and reported within foreign exchange gains, net within results from operating activities

### 2.17 Earnings per equity share

The basic earnings per share is computed by dividing the net profit attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during the reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increase loss per share are included.

### 2.18 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of statement of cash flows, cash and cash equivalents includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

### 2.19 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### 2.20 Dividends

The Company recognizes a liability to make dividend distributions to equity holders of the Company when the distribution is authorized, and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### 2.21 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Company), whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Operating segments of the Company are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

### 2.22 New Standards, Interpretations and Amendments adopted by the Company

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Ministry of corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Adequate disclosure for supplier finance arrangements have been made in these standalone financial statements (refer Note 18).

### b) Amendments to Ind AS 1 – Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendments aim to clarify the below:

- i) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.
- ii) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period;
- iii) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the standalone financial statements of the Company. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

### c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Company operates.

### d) Amendment to Ind AS 21-Lack of exchangeability

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the standalone financial statements of the Company.

#### The below amendments are notified but not yet effective

### e) Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and non-current liabilities with covenants:

The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

- i) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.
- ii) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.
- iii) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Company does not expect this amendment to have an impact on its operations or financial statements.

**Notes to the Standalone Financial Statements for the year ended 31 March 2026****Note 3.1 : Property, plant and equipment**

(₹ Lacs)

| Particulars                        | Land<br>(refer note<br>3.1.2) | Buildings          | Plant and<br>equipment | Furniture<br>and fixtures | Office<br>equipment | Vehicles       | Total                | Capital<br>work-in-<br>progress<br>(refer note 3.2) |
|------------------------------------|-------------------------------|--------------------|------------------------|---------------------------|---------------------|----------------|----------------------|-----------------------------------------------------|
| <b>Cost:</b>                       |                               |                    |                        |                           |                     |                |                      |                                                     |
| <b>Balance as at 1 April 2024</b>  | <b>26,816.42</b>              | <b>74,536.66</b>   | <b>2,31,377.56</b>     | <b>2,719.42</b>           | <b>4,414.62</b>     | <b>56.69</b>   | <b>3,39,921.37</b>   | <b>3,221.06</b>                                     |
| Additions                          | -                             | 10.28              | 2,576.78               | 0.71                      | 27.90               | 35.20          | 2,650.87             | 751.93                                              |
| Disposals                          | -                             | -                  | (4.69)                 | -                         | -                   | (11.47)        | (16.16)              | -                                                   |
| Transfers/Capitalised              | -                             | -                  | (23,781.05)            | -                         | (14.36)             | -              | (23,795.41)          | (2,682.64)                                          |
| <b>Balance as at 31 March 2025</b> | <b>26,816.42</b>              | <b>74,546.94</b>   | <b>2,10,168.60</b>     | <b>2,720.13</b>           | <b>4,428.16</b>     | <b>80.42</b>   | <b>3,18,760.67</b>   | <b>1,290.35</b>                                     |
| <b>Balance as at 1 April 2025</b>  | <b>26,816.42</b>              | <b>74,546.94</b>   | <b>2,10,168.60</b>     | <b>2,720.13</b>           | <b>4,428.16</b>     | <b>80.42</b>   | <b>3,18,760.67</b>   | <b>1,290.35</b>                                     |
| Additions                          | -                             | 164.93             | 116.62                 | 278.72                    | 78.23               | -              | 638.50               | 1,192.28                                            |
| Disposals                          | -                             | -                  | (170.58)               | (29.83)                   | -                   | -              | (200.41)             | -                                                   |
| Transfers/Capitalised              | -                             | -                  | -                      | -                         | -                   | -              | -                    | (542.98)                                            |
| <b>Balance as at 31 March 2026</b> | <b>26,816.42</b>              | <b>74,711.87</b>   | <b>2,10,114.64</b>     | <b>2,969.02</b>           | <b>4,506.39</b>     | <b>80.42</b>   | <b>3,19,198.76</b>   | <b>1,939.65</b>                                     |
| <b>Accumulated depreciation:</b>   |                               |                    |                        |                           |                     |                |                      |                                                     |
| <b>Balance as at 1 April 2024</b>  | <b>-</b>                      | <b>(16,767.36)</b> | <b>(96,209.85)</b>     | <b>(1,379.20)</b>         | <b>(4,213.60)</b>   | <b>(43.49)</b> | <b>(1,18,613.50)</b> | <b>-</b>                                            |
| Depreciation charge for the year   | -                             | (2,610.28)         | (10,317.53)            | (41.60)                   | (153.24)            | (4.96)         | (13,127.61)          | -                                                   |
| Disposals                          | -                             | -                  | 4.13                   | -                         | -                   | -              | 4.13                 | -                                                   |
| Transfers/Capitalised              | -                             | -                  | 6,847.17               | -                         | 14.36               | -              | 6,861.53             | -                                                   |
| <b>Balance as at 31 March 2025</b> | <b>-</b>                      | <b>(19,377.64)</b> | <b>(99,676.08)</b>     | <b>(1,420.80)</b>         | <b>(4,352.48)</b>   | <b>(48.45)</b> | <b>(1,24,875.45)</b> | <b>-</b>                                            |
| <b>Balance as at 1 April 2025</b>  | <b>-</b>                      | <b>(19,377.64)</b> | <b>(99,676.08)</b>     | <b>(1,420.80)</b>         | <b>(4,352.48)</b>   | <b>(48.45)</b> | <b>(1,24,875.45)</b> | <b>-</b>                                            |
| Depreciation charge for the year   | -                             | (2,611.78)         | (8,738.80)             | (57.17)                   | (117.04)            | (8.47)         | (11,533.26)          | -                                                   |
| Disposals                          | -                             | -                  | 145.12                 | 29.82                     | -                   | -              | 174.94               | -                                                   |
| Transfers/Capitalised              | -                             | -                  | -                      | -                         | -                   | -              | -                    | -                                                   |
| <b>Balance as at 31 March 2026</b> | <b>-</b>                      | <b>(21,989.42)</b> | <b>(1,08,269.76)</b>   | <b>(1,448.15)</b>         | <b>(4,469.52)</b>   | <b>(56.92)</b> | <b>(1,36,233.77)</b> | <b>-</b>                                            |
| <b>Net book value:</b>             |                               |                    |                        |                           |                     |                |                      |                                                     |
| <b>As at 31 March 2026</b>         | <b>26,816.42</b>              | <b>52,722.45</b>   | <b>1,01,844.88</b>     | <b>1,520.87</b>           | <b>36.87</b>        | <b>23.50</b>   | <b>1,82,964.99</b>   | <b>1,939.65</b>                                     |
| <b>As at 31 March 2025</b>         | <b>26,816.42</b>              | <b>55,169.30</b>   | <b>1,10,492.52</b>     | <b>1,299.33</b>           | <b>75.68</b>        | <b>31.97</b>   | <b>1,93,885.22</b>   | <b>1,290.35</b>                                     |

**Notes**

3.1.1 Refer note 14.1, 17.2 and 36.3 for information on property, plant and equipment pledged as security by the Company.

3.1.2 a) The Company has entered into a lease cum sale agreement with Karnataka Industrial Area Development Board ('KIADB') for purchase of land under a lease cum sale agreement amounting to ₹ 6,585.19 Lacs. The property will be transferred in the name of the Company post expiry of lease period.

b) The title deeds of immovable properties aggregating to ₹ 16,833.51 Lacs as at March 31, 2026, are mortgaged by way of deposit of title deeds with the banks.

3.1.3 The above assets other than to the extent mentioned in note 3.1.2 (a) above are owned by the Company.

3.1.4 Refer note 27 for details on contractual commitments for acquiring property, plant and equipment.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 3.2 : Capital work-in-progress

a) Capital work-in-progress ageing:

(₹ Lacs)

| Particulars                        | Amount in capital work-in-progress for a period of |               |               |                   | Total           |
|------------------------------------|----------------------------------------------------|---------------|---------------|-------------------|-----------------|
|                                    | Less than 1 year                                   | 1-2 years     | 2-3 years     | More than 3 years |                 |
| Projects in progress               | 675.83                                             | 536.30        | 41.24         | 686.28            | 1,939.65        |
| Projects temporarily suspended     | –                                                  | –             | –             | –                 | –               |
| <b>Balance as at 31 March 2026</b> | <b>675.83</b>                                      | <b>536.30</b> | <b>41.24</b>  | <b>686.28</b>     | <b>1,939.65</b> |
| Projects in progress               | 562.83                                             | 41.24         | 465.61        | 220.67            | 1,290.35        |
| Projects temporarily suspended     | –                                                  | –             | –             | –                 | –               |
| <b>Balance as at 31 March 2025</b> | <b>562.83</b>                                      | <b>41.24</b>  | <b>465.61</b> | <b>220.67</b>     | <b>1,290.35</b> |

There are no projects where the completion is overdue or cost has exceeded when compared to its original plan.

### Note 3.3 : Other Intangible assets

(₹ Lacs)

| Particulars                        | Computer software | Technical know-how | Total             |
|------------------------------------|-------------------|--------------------|-------------------|
| <b>Cost:</b>                       |                   |                    |                   |
| <b>Balance as at 1 April 2024</b>  | <b>3,421.17</b>   | <b>324.22</b>      | <b>3,745.39</b>   |
| Additions                          | 31.77             | –                  | 31.77             |
| Disposals                          | –                 | –                  | –                 |
| Transfer                           | (23.00)           | –                  | (23.00)           |
| <b>Balance as at 31 March 2025</b> | <b>3,429.94</b>   | <b>324.22</b>      | <b>3,754.16</b>   |
| <b>Balance as at 1 April 2025</b>  | <b>3,429.94</b>   | <b>324.22</b>      | <b>3,754.16</b>   |
| Additions                          | –                 | –                  | –                 |
| Disposals                          | –                 | –                  | –                 |
| Transfer                           | –                 | –                  | –                 |
| <b>Balance as at 31 March 2026</b> | <b>3,429.94</b>   | <b>324.22</b>      | <b>3,754.16</b>   |
| <b>Accumulated amortisation:</b>   |                   |                    |                   |
| <b>Balance as at 1 April 2024</b>  | <b>(2,452.58)</b> | <b>(226.94)</b>    | <b>(2,679.52)</b> |
| Amortisation                       | (292.07)          | (32.41)            | (324.48)          |
| Disposals                          | –                 | –                  | –                 |
| Transfer                           | 23.00             | –                  | 23.00             |
| <b>Balance as at 31 March 2025</b> | <b>(2,721.65)</b> | <b>(259.35)</b>    | <b>(2,981.00)</b> |
| <b>Balance as at 1 April 2025</b>  | <b>(2,721.65)</b> | <b>(259.35)</b>    | <b>(2,981.00)</b> |
| Amortisation                       | (275.33)          | (32.42)            | (307.75)          |
| Disposals                          | –                 | –                  | –                 |
| Transfer                           | –                 | –                  | –                 |
| <b>Balance as at 31 March 2026</b> | <b>(2,996.98)</b> | <b>(291.77)</b>    | <b>(3,288.75)</b> |
| <b>Net book value:</b>             |                   |                    |                   |
| <b>As at 31 March 2026</b>         | <b>432.96</b>     | <b>32.45</b>       | <b>465.41</b>     |
| <b>As at 31 March 2025</b>         | <b>708.29</b>     | <b>64.87</b>       | <b>773.16</b>     |



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 4 : Investments

(₹ Lacs)

| Particulars                                                                                                                                                            | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>4A : Non-current investments</b>                                                                                                                                    |                     |                     |
| <b>Unquoted Investments</b>                                                                                                                                            |                     |                     |
| <b>A. Investments in equity instruments of subsidiaries (at cost unless stated otherwise)</b>                                                                          |                     |                     |
| Himatsingka Holdings NA Inc. (refer note 4A.1)<br>Equity shares of USD 10,000 each, fully paid up<br>[No. of shares: 13,036 (As at 31 March 2025: 13,036)]             | 97,375.35           | 97,373.16           |
| Himatsingka Wovens Private Limited<br>Equity shares of INR 100 each, fully paid up<br>[No. of shares: 17,50,000 (As at 31 March 2025: 17,50,000)]                      | 1,683.98            | 1,683.98            |
| <b>Total (A)</b>                                                                                                                                                       | <b>99,059.33</b>    | <b>99,057.14</b>    |
| <b>B. Investments in equity instruments of other Companies (at cost unless stated otherwise)</b>                                                                       |                     |                     |
| AMPIN Energy C&I Twenty Four Private Limited (Associate)<br>Equity shares of INR 10 each fully paid up<br>[No. of shares: 57,27,500 (As at 31 March 2025 : 57,27,500)] | 572.75              | 572.75              |
| Isharays Energy One Private Limited<br>Equity shares of INR 10 each fully paid up<br>[No. of shares: 40,00,000 (As at 31 March 2025 : 40,00,000)]                      | 400.00              | 400.00              |
| <b>Total (B)</b>                                                                                                                                                       | <b>972.75</b>       | <b>972.75</b>       |
| <b>Total (A+B)</b>                                                                                                                                                     | <b>1,00,032.08</b>  | <b>1,00,029.89</b>  |
| Aggregate value of unquoted investments                                                                                                                                | 1,00,032.08         | 1,00,029.89         |

#### Note 4A.1 :

Refer note 14.1 for information on investments pledged as security by the Company.

### 4B : Current investments

(₹ Lacs)

| Particulars                                                                                                                                                | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Investment in equity instruments (Unquoted – at fair value through profit and loss)</b>                                                                 |                     |                     |
| Atria Wind Power (Chitradurga) Private Limited<br>Equity shares of INR 251 each fully paid up<br>[No. of shares: 68,123 (As at 31 March 2025 : 68,123)]    | 170.99              | 170.99              |
| Atria Wind Power (Basavana Bagewadi) Private Limited<br>Equity shares of INR 193.28 each fully paid up<br>[No. of shares: 478 (As at 31 March 2025 : 478)] | 0.92                | 0.92                |
| <b>Total</b>                                                                                                                                               | <b>171.91</b>       | <b>171.91</b>       |
| Aggregate value of unquoted investments                                                                                                                    | 171.91              | 171.91              |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 5 : Loans

(₹ Lacs)

| Particulars                       | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------|---------------------|---------------------|
| <b>Current</b>                    |                     |                     |
| <b>Unsecured, considered good</b> |                     |                     |
| Loans to employees                | 23.54               | 135.74              |
| <b>Total</b>                      | <b>23.54</b>        | <b>135.74</b>       |

### Note 6 : Other financial assets

(₹ Lacs)

| Particulars                                                                                       | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Non-current</b>                                                                                |                     |                     |
| <b>Unsecured, considered good</b>                                                                 |                     |                     |
| Fixed deposits with banks with maturity period more than twelve months                            | –                   | 5.06                |
| Electricity deposits                                                                              | 2,052.48            | 2,052.48            |
| Other deposits                                                                                    | 349.34              | 314.60              |
| <b>Total</b>                                                                                      | <b>2,401.82</b>     | <b>2,372.14</b>     |
| <b>Current</b>                                                                                    |                     |                     |
| <b>Unsecured, considered good</b>                                                                 |                     |                     |
| Interest subsidy receivable [net of credit impaired ₹ 694.42 Lacs (31 March 2025: ₹ 694.42 Lacs)] | 2,379.62            | 2,379.62            |
| Subsidy receivable under various government schemes                                               | 18,057.21           | 20,182.73           |
| Interest receivable                                                                               | 187.58              | 185.53              |
| Security deposits                                                                                 | 195.68              | 176.57              |
| Other receivables                                                                                 | –                   | 222.95              |
| Derivative assets – foreign exchange forward contracts                                            | –                   | 466.04              |
| <b>Total</b>                                                                                      | <b>20,820.09</b>    | <b>23,613.44</b>    |



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 7 : Tax assets and liabilities

#### Note 7A : Income tax assets and liabilities

(₹ Lacs)

| Particulars                                                     | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------------------------------------|---------------------|---------------------|
| <b>Non-current income tax assets</b>                            |                     |                     |
| Advance tax and taxes deducted at source                        | 22,671.56           | 22,671.56           |
| Less: Provisions related to the above                           | (21,175.00)         | (21,175.00)         |
| <b>Income tax assets (net)</b>                                  | <b>1,496.56</b>     | <b>1,496.56</b>     |
| <b>Current tax liabilities</b>                                  |                     |                     |
| Income tax provisions                                           | 15,950.26           | 14,777.95           |
| Less: Advance tax and taxes deducted at source related to above | (12,601.67)         | (12,550.79)         |
| <b>Current tax liabilities (net)</b>                            | <b>3,348.59</b>     | <b>2,227.16</b>     |

#### Note 7B : Deferred tax liabilities (net)\*

The following is the analysis of the net deferred tax asset/(liability) position as presented in the financial statements

(₹ Lacs)

| Particulars                                                                             | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Deferred tax liabilities</b>                                                         |                     |                     |
| Property, plant and equipment and other intangible assets                               | 23,922.21           | 24,241.21           |
| Cash flow hedge                                                                         | –                   | 73.32               |
| Other temporary differences                                                             | 3,947.00            | –                   |
| <b>Total deferred tax liabilities (A)</b>                                               | <b>27,869.21</b>    | <b>24,314.53</b>    |
| <b>Deferred tax assets</b>                                                              |                     |                     |
| Provision for gratuity and compensated absences                                         | 925.22              | 1,105.43            |
| Cash flow hedge                                                                         | 914.94              | –                   |
| Minimum alternate tax (MAT) credit entitlement                                          | 16,335.45           | 14,922.45           |
| Other temporary differences (including delayed payments to MSME vendors and provisions) | 4,444.92            | 5,512.92            |
| <b>Total deferred tax assets (B)</b>                                                    | <b>22,620.53</b>    | <b>21,540.80</b>    |
| <b>Net deferred tax liability (A - B)</b>                                               | <b>5,248.68</b>     | <b>2,773.73</b>     |

\*Refer note 31

### Note 8 : Other assets

(₹ Lacs)

| Particulars                                                    | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------|---------------------|---------------------|
| <b>Non-current</b>                                             |                     |                     |
| Capital advances                                               | 765.32              | 780.10              |
| Contract acquisition costs (refer note 20.5)                   | 489.06              | 1,804.00            |
| Others                                                         | 90.00               | 66.69               |
| <b>Total</b>                                                   | <b>1,344.38</b>     | <b>2,650.79</b>     |
| <b>Current</b>                                                 |                     |                     |
| Advances to suppliers                                          | 1,531.29            | 944.29              |
| Balances with government authorities (other than income taxes) | 5,052.65            | 8,435.75            |
| Subsidy receivable under various government schemes            | 8,627.65            | 9,308.48            |
| Prepaid expenses                                               | 935.49              | 902.26              |
| Contract acquisition costs (refer note 20.5)                   | 1,314.95            | 1,421.53            |
| <b>Total</b>                                                   | <b>17,462.03</b>    | <b>21,012.31</b>    |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 9 : Inventories

(valued at lower of cost and net realizable value)\*

(₹ Lacs)

| Particulars                              | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------|---------------------|---------------------|
| Raw materials and packing materials      | 4,425.45            | 3,422.35            |
| Work-in-progress                         | 37,127.18           | 35,430.06           |
| Finished goods                           | 20,912.52           | 7,824.83            |
| Stores and spares                        | 1,575.78            | 2,070.49            |
| <b>Total</b>                             | <b>64,040.93</b>    | <b>48,747.73</b>    |
| *Refer note 17.2                         |                     |                     |
| <b>Included above, goods-in-transit:</b> |                     |                     |
| Work-in-progress                         | 5,619.07            | 6,036.25            |
| <b>Total</b>                             | <b>5,619.07</b>     | <b>6,036.25</b>     |

### Note 10 : Trade receivables

(₹ Lacs)

| Particulars                              | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------|---------------------|---------------------|
| <b>Current</b>                           |                     |                     |
| Unsecured, considered good               | 2,07,115.50         | 1,80,646.21         |
| Trade receivables – credit impaired      | 4,161.74            | 2,798.47            |
|                                          | <b>2,11,277.24</b>  | <b>1,83,444.68</b>  |
| Less: Allowance for expected credit loss | (4,161.74)          | (2,798.47)          |
| <b>Net Trade receivables</b>             | <b>2,07,115.50</b>  | <b>1,80,646.21</b>  |

The Company's exposure to credit and currency risk and loss allowances related to trade receivables has been disclosed in note 33

#### Note 10.1 : Bill discounting:

At the end of the reporting period, the carrying amount of the trade receivables that have been discounted (with recourse) and have not been derecognized amounted to ₹14,979.29 Lacs (31 March 2025: ₹20,121.44 Lacs) and associated liability has been disclosed as bill discounting (refer note 17).

#### Note 10.2 : Details of trade receivables

Of the above, trade receivables from related parties are as below:

(₹ Lacs)

| Particulars                                            | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------------------------------------|---------------------|---------------------|
| Trade receivables from related parties (refer note 34) | 1,50,479.84         | 1,25,069.71         |
| <b>Total</b>                                           | <b>1,50,479.84</b>  | <b>1,25,069.71</b>  |

For terms and conditions with related parties, refer note 34

#### Note 10.3 : Expected credit loss assessment for trade receivables as at 31 March 2026 and 31 March 2025 are as follows:

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on past and the recent collection trend. The movement in allowance for credit loss in respect of trade and other receivables are as follows :

(₹ Lacs)

| Particulars                                        | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------|---------------------|---------------------|
| Balance as at beginning of the year                | 2,798.47            | 1,287.33            |
| Change in allowance for expected credit loss (net) | 1,363.27            | 1,511.14            |
| <b>Balance as at end of the year</b>               | <b>4,161.74</b>     | <b>2,798.47</b>     |



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 10.4: Trade receivables ageing schedule

As at 31 March 2026

(₹ Lacs)

| Particulars                                                                   | Outstanding for following periods from due date of payment |                    |                  |                  |              |                   | Total              |
|-------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|------------------|------------------|--------------|-------------------|--------------------|
|                                                                               | Not Due                                                    | Less than 6 months | 6 months– 1 year | 1–2 years        | 2–3 years    | More than 3 years |                    |
| Undisputed trade receivables – considered good                                | 57,966.70                                                  | 42,232.67          | 32,559.16        | 73,472.72        | 36.63        | 100.47            | 2,06,368.35        |
| Undisputed trade receivables – which have significant increase in credit risk | –                                                          | –                  | –                | –                | –            | –                 | –                  |
| Undisputed trade receivables – credit impaired                                | –                                                          | 173.08             | 1,336.78         | 1,417.84         | 61.12        | 221.40            | 3,210.22           |
| Disputed trade receivables – considered good                                  | –                                                          | –                  | –                | –                | –            | 747.15            | 747.15             |
| Disputed trade receivables – which have significant increase in credit risk   | –                                                          | –                  | –                | –                | –            | –                 | –                  |
| Disputed trade receivables – credit impaired                                  | –                                                          | –                  | –                | –                | –            | 951.52            | 951.52             |
| <b>Total</b>                                                                  | <b>57,966.70</b>                                           | <b>42,405.75</b>   | <b>33,895.94</b> | <b>74,890.56</b> | <b>97.75</b> | <b>2,020.54</b>   | <b>2,11,277.24</b> |
| Less: Allowance for expected credit loss                                      |                                                            |                    |                  |                  |              |                   | (4,161.74)         |
| <b>Net Trade receivables</b>                                                  |                                                            |                    |                  |                  |              |                   | <b>2,07,115.50</b> |

As at 31 March 2025

(₹ Lacs)

| Particulars                                                                   | Outstanding for following periods from due date of payment |                    |                  |                 |               |                   | Total              |
|-------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|------------------|-----------------|---------------|-------------------|--------------------|
|                                                                               | Not Due                                                    | Less than 6 months | 6 months– 1 year | 1–2 years       | 2–3 years     | More than 3 years |                    |
| Undisputed trade receivables – considered good                                | 60,859.77                                                  | 79,786.94          | 32,595.28        | 6,459.56        | 51.56         | 97.87             | 1,79,850.98        |
| Undisputed trade receivables – which have significant increase in credit risk | –                                                          | –                  | –                | –               | –             | –                 | –                  |
| Undisputed trade receivables – credit impaired                                | –                                                          | 130.30             | 1,154.04         | 349.77          | 55.50         | 157.34            | 1,846.95           |
| Disputed trade receivables – considered good                                  | –                                                          | –                  | –                | –               | 254.82        | 540.41            | 795.23             |
| Disputed trade receivables – which have significant increase in credit risk   | –                                                          | –                  | –                | –               | –             | –                 | –                  |
| Disputed trade receivables – credit impaired                                  | –                                                          | –                  | –                | –               | 424.62        | 526.90            | 951.52             |
| <b>Total</b>                                                                  | <b>60,859.77</b>                                           | <b>79,917.24</b>   | <b>33,749.32</b> | <b>6,809.33</b> | <b>786.50</b> | <b>1,322.52</b>   | <b>1,83,444.68</b> |
| Less: Allowance for expected credit loss                                      |                                                            |                    |                  |                 |               |                   | (2,798.47)         |
| <b>Net Trade receivables</b>                                                  |                                                            |                    |                  |                 |               |                   | <b>1,80,646.21</b> |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 11A : Cash and cash equivalents

(₹ Lacs)

| Particulars                                                                      | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Cash and cash equivalents consist of</b>                                      |                     |                     |
| Cash on hand                                                                     | 3.79                | 5.57                |
| Balance with banks                                                               |                     |                     |
| – in current accounts                                                            | 2,735.02            | 801.90              |
| – in deposit accounts (with original maturity period of less than three months)* | 1,002.13            | 5,419.42            |
| <b>Total</b>                                                                     | <b>3,740.94</b>     | <b>6,226.89</b>     |

### Note 11B : Bank balances other than cash and cash equivalents

(₹ Lacs)

| Particulars                                                                                        | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Other bank balances (refer note 11.1)                                                              | 56.21               | 36.33               |
| Deposits with banks with remaining maturity of more than three months but less than twelve months* | 3,009.71            | 4,370.78            |
| <b>Total</b>                                                                                       | <b>3,065.92</b>     | <b>4,407.11</b>     |

**Note 11.1 :** Other bank balances represent earmarked balances in respect of unpaid dividends.

\*Includes deposits of ₹ 422.27 lacs (31 March 2025 ₹ 610.35 lacs) as a lien to secure bank guarantee and letter of credit.

### Note 12 : Equity share capital

(₹ Lacs)

| Particulars                                                                                     | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Authorised*</b>                                                                              |                     |                     |
| 22,00,00,000 equity shares (31 March 2025: 15,00,00,000 equity shares) of par value of ₹ 5 each | 11,000.00           | 7,500.00            |
| <b>Issued</b>                                                                                   |                     |                     |
| 12,57,81,289 equity shares (31 March 2025: 12,57,81,289 equity shares) of par value of ₹ 5 each | 6,289.06            | 6,289.06            |
| <b>Subscribed and fully paid-up</b>                                                             |                     |                     |
| 12,57,42,289 equity shares (31 March 2025: 12,57,42,289 equity shares) of par value of ₹ 5 each | 6,287.11            | 6,287.11            |

\*Pursuant to ordinary resolution passed in annual general meeting held on 26th September 2025, the Company increased its authorised share capital from ₹ 7,500 lacs (equity shares 15,00,00,000) to ₹ 11,000 lacs (equity shares 22,00,00,000).

### Reconciliation of shares outstanding at the beginning and at the end of the reporting period

| Particulars                                      | As at 31 March 2026 |                 | As at 31 March 2025 |                 |
|--------------------------------------------------|---------------------|-----------------|---------------------|-----------------|
|                                                  | Number of shares    | Amount (₹ Lacs) | Number of shares    | Amount (₹ Lacs) |
| At the commencement of the year                  | 12,57,42,289        | 6,287.11        | 9,84,57,160         | 4,922.86        |
| Fully paid equity shares issued during the year* | –                   | –               | 2,72,85,129         | 1,364.25        |
| At the end of the year                           | 12,57,42,289        | 6,287.11        | 12,57,42,289        | 6,287.11        |

\*During the previous year, the Company has raised money by the way of Qualified Institutions Placement ('QIP') and allotted 2,72,85,129 equity shares of face value ₹ 5/- each to the eligible qualified institutional buyers (QIB) at a price of ₹ 146.6/- per equity share (including a premium of ₹ 141.60 per share) aggregating to ₹ 40,000 Lacs on October 30, 2024. The issue was made in accordance SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Expenses incurred in relation to QIP includes ₹ 2,306.36 lacs which has been adjusted from Securities Premium Account (refer note no. 13).

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

Proceeds from Qualified Institutions Placement ('QIP') made during the previous year ended 31 March 2025 have been utilised in the following manner: (₹ Lacs)

| Particulars                                                                                         | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Opening unutilised amount                                                                           | 3,836.00            | –                   |
| Proceeds from issue of shares during the year                                                       | –                   | 40,000.00           |
| <b>– Utilisation during the year:</b>                                                               |                     |                     |
| a) Issue related expenses                                                                           | –                   | 2,240.00            |
| ii) Expenses towards general corporate purposes                                                     | –                   | 7,760.00            |
| iii) Repayment and / or prepayment in full or in part, of certain borrowings availed by the Company | 3,836.00            | 26,164.00           |
| <b>Total amount utilised</b>                                                                        | <b>3,836.00</b>     | <b>36,164.00</b>    |
| – Unutilised amount during the year                                                                 | –                   | 3,836.00            |

Rights, preferences and restrictions attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividend and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining asset of the Company after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has not allotted any fully paid equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

### Details of shareholders holding more than 5% of equity shares in the Company

| Particulars               | As at 31 March 2026 |              | As at 31 March 2025 |              |
|---------------------------|---------------------|--------------|---------------------|--------------|
|                           | Number of shares    | % of holding | Number of shares    | % of holding |
| Equity shares of ₹ 5 each |                     |              |                     |              |
| Dinesh Kumar Himatsingka  | 1,19,02,000         | 9.47%        | 1,19,02,000         | 9.47%        |
| Shrikant Himatsingka      | 85,46,964           | 6.80%        | 85,46,964           | 6.80%        |

### Disclosure of shareholding of promoters in the equity share capital of the Company

| Promoters name                         | As at 31 March 2026 |                   |                          | As at 31 March 2025 |                   |                          |
|----------------------------------------|---------------------|-------------------|--------------------------|---------------------|-------------------|--------------------------|
|                                        | Number of shares    | % of total shares | % Change during the year | Number of shares    | % of total shares | % Change during the year |
| Dinesh Kumar Himatsingka               | 1,19,02,000         | 9.47%             | 0.00%                    | 1,19,02,000         | 9.47%             | -2.62%                   |
| Shrikant Himatsingka                   | 85,46,964           | 6.80%             | 0.00%                    | 85,46,964           | 6.80%             | -1.88%                   |
| Bihar Mercantile Union Private Limited | 62,68,234           | 4.98%             | 0.00%                    | 62,68,234           | 4.98%             | -1.38%                   |
| Rajshree Himatsingka                   | 58,97,260           | 4.69%             | 0.00%                    | 58,97,260           | 4.69%             | -1.30%                   |
| Awdhan Trading Company Limited         | 41,28,736           | 3.28%             | 0.00%                    | 41,28,736           | 3.28%             | -0.91%                   |
| Orient Silk Private Limited            | 34,34,768           | 2.73%             | 0.00%                    | 34,34,768           | 2.73%             | -0.76%                   |
| Aditya Resources Limited               | 32,97,470           | 2.62%             | 0.00%                    | 32,97,470           | 2.62%             | -0.73%                   |
| Priya Resources Private Limited        | 31,21,360           | 2.48%             | 0.00%                    | 31,21,360           | 2.48%             | -0.69%                   |
| Priyadarshini Himatsingka              | 2,37,800            | 0.19%             | 0.00%                    | 2,37,800            | 0.19%             | -0.05%                   |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Disclosure of shareholding of promoter group in the equity share capital of the Company

| Promoters name  | As at 31 March 2026 |                   |                          | As at 31 March 2025 |                   |                          |
|-----------------|---------------------|-------------------|--------------------------|---------------------|-------------------|--------------------------|
|                 | Number of shares    | % of total shares | % Change during the year | Number of shares    | % of total shares | % Change during the year |
| Jayshree Poddar | 2,88,400            | 0.23%             | 0.00%                    | 2,88,400            | 0.23%             | -0.14%                   |
| Shyama Poddar   | 4,982               | 0.00%             | 0.00%                    | 5,000               | 0.00%             | -0.02%                   |
| Sarala Jalan    | 1,480               | 0.00%             | 0.00%                    | 1,480               | 0.00%             | 0.00%                    |

### Note 13 : Other equity

(₹ Lacs)

| Particulars                               | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------|---------------------|---------------------|
| Capital reserve (refer note 13.1)         | 17.04               | 17.04               |
| Securities premium (refer note 13.2)      | 64,005.09           | 64,005.09           |
| General reserve (refer note 13.3)         | 17,270.17           | 17,270.17           |
| Retained earnings (refer note 13.4)       | 1,48,756.78         | 1,43,158.45         |
| <b>Reserves and surplus</b>               | <b>2,30,049.08</b>  | <b>2,24,450.75</b>  |
| Cash flow hedge reserve (refer note 13.5) | (2,813.30)          | 136.91              |
| <b>Other comprehensive income</b>         | <b>(2,813.30)</b>   | <b>136.91</b>       |
| <b>Total</b>                              | <b>2,27,235.78</b>  | <b>2,24,587.66</b>  |

#### Notes:

- 13.1 Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserves. The reserve is not available for distribution.
- 13.2 Amounts received on issue of shares in excess of the par value have been classified as securities premium. The reserve can be utilized in accordance with the provisions of the Companies Act, 2013.
- 13.3 This represents appropriation of profit by the Company. General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- 13.4 Retained earnings comprise of the Company's undistributed earnings after taxes. The amount can be distributed by the Company as dividends to its equity shareholders.
- 13.5 The cash flow hedging reserve represents effective portion of gains or losses (net of taxes, if any) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss when the hedged items (sales of goods) affects profit or loss.

(₹ Lacs)

| Particulars                                     | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------|---------------------|---------------------|
| <b>Securities premium</b>                       |                     |                     |
| Opening balance                                 | 64,005.09           | 27,675.71           |
| Add: Security premium on issue of equity shares | —                   | 38,635.74           |
| Less: Equity fund raising expenses              | —                   | (2,306.36)          |
| <b>Total</b>                                    | <b>64,005.09</b>    | <b>64,005.09</b>    |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

(₹ Lacs)

| Particulars                                                | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------|---------------------|---------------------|
| <b>Retained earnings</b>                                   |                     |                     |
| Opening balance                                            | 1,43,158.45         | 1,28,524.84         |
| Add: Profit for the year                                   | 6,013.08            | 14,668.59           |
| Add: Items of OCI recognised directly in retained earnings |                     |                     |
| Re-measurements of defined employee benefit plan           | (100.15)            | 211.16              |
| Less: Payment of dividends*                                | (314.60)            | (246.14)            |
| <b>Total</b>                                               | <b>1,48,756.78</b>  | <b>1,43,158.45</b>  |

\* The Company has proposed dividend of ₹ 0.25 per share for the financial year 2025-26 after the reporting date which is subject to approval at the annual general meeting. Such dividend has not been recognised as liabilities at year end. (31 March 2025: Final dividend of ₹ 0.25 per share for the financial year 2024-25).

|                                                                                                                                                                                          |                   |               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------|
| <b>Effective portion of cash flow hedge</b>                                                                                                                                              |                   |               |
| Opening balance                                                                                                                                                                          | 136.91            | 128.61        |
| Effective portion of gain / (loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges recognised in cash flow hedge reserve | (5,563.22)        | (451.85)      |
| Cumulative gain / (loss) reclassified to profit or loss                                                                                                                                  | 1,624.76          | 464.60        |
| Income tax related to net gain / (loss) recognised in other comprehensive income                                                                                                         | 988.25            | (4.45)        |
| <b>Total</b>                                                                                                                                                                             | <b>(2,813.30)</b> | <b>136.91</b> |

### Note 14 : Non current borrowings

(₹ Lacs)

| Particulars                                                                                                  | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Secured loans: (refer note 14.1)</b>                                                                      |                     |                     |
| <b>Term loans</b>                                                                                            |                     |                     |
| From banks                                                                                                   | 34,005.27           | 35,908.06           |
| From financial institutions                                                                                  | 33,362.33           | 46,205.86           |
| <b>Non Convertible Debentures</b>                                                                            |                     |                     |
| 6,250, redeemable, non convertible debentures (NCD), of face value ₹ 10,00,000 each. (31 March 2025 : 4,600) | 50,577.05           | 42,643.28           |
| <b>Unsecured loans: (refer note 14.1)</b>                                                                    |                     |                     |
| Foreign currency convertible bonds (FCCB)                                                                    | 11,753.74           | 10,598.98           |
| <b>Total</b>                                                                                                 | <b>1,29,698.39</b>  | <b>1,35,356.18</b>  |

**Note 14.2:** The term loans raised during the year have been applied for the purposes for which they were raised.



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

Note 14.1 : Details of non-current borrowings and current maturities of non-current borrowings

(₹ Lacs)

| Particulars                       | As at 31 March 2026 |           | As at 31 March 2025 |          | Nature of security                                                                                                                                                                                                                  | Repayment/ redemption/ other terms                                                                                                                                                                                                                                                                                                   |
|-----------------------------------|---------------------|-----------|---------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                   | Non-Current         | Current   | Non-Current         | Current  |                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                      |
| i) Term loans from bank (secured) |                     |           |                     |          |                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                      |
| Loan 1                            | 5,583.77            | 1,538.29  | 7,109.88            | 307.65   | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                | Loan shall be repaid in 39 structured quarterly installments commencing from 31 December 2019. As of 31 March 2026, 15 installments remained outstanding.                                                                                                                                                                            |
| Loan 2                            | 2,542.23            | 1,240.64  | 3,313.41            | 187.50   | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                | Loan shall be repaid in 28 quarterly installments commencing from post completion of moratorium period of 12 months. As of 31 March 2026, 15 installments remained outstanding.                                                                                                                                                      |
| Loan 3                            | 1,355.84            | 797.51    | 2,142.29            | 200.00   | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                | Loan shall be repaid in 24 quarterly installments commencing from post completion of initial moratorium period of 12 months. As of 31 March 2026, 11 installments remained outstanding.                                                                                                                                              |
| Loan 4                            | 3,488.64            | 1,908.00  | 5,365.96            | 1,538.00 | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                | “Loan amount of ₹ 6,000 lacs shall be repaid in 27 quarterly installments commencing from July 2022. As of 31 March 2026, 12 installments remained outstanding.<br>Loan amount of ₹ 4,000 lacs shall be repaid in 21 quarterly installments commencing from August 2023. As of 31 March 2026, 10 installments remained outstanding.” |
| Loan 5                            | 6,565.53            | 2,291.25  | 8,566.83            | 403.89   | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                | Loan shall be repaid in 32 quarterly installments commencing from September 2022. As of 31 March 2026, 15 installments remained outstanding.                                                                                                                                                                                         |
| Loan 6                            | 5,360.11            | 1,867.40  | 6,986.42            | 325.92   | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                | Loan shall be repaid in 32 quarterly installments commencing from September 2022. As of 31 March 2026, 15 installments remained outstanding.                                                                                                                                                                                         |
| Loan 7                            | -                   | 2,437.73  | 2,423.27            | 2,025.14 | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                | Loan shall be repaid in 18 structured quarterly installments commencing after 6 months from the date of disbursement. As of 31 March 2026, 3 installments remained outstanding.                                                                                                                                                      |
| Loan 8                            | -                   | 3,320.83  | -                   | -        | “First pari passu charge on Inventory and Book debts<br>Second pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.”                                      | Loan shall be repaid in 6 quarterly installments commencing from October 2025. As of 31 March 2026, 4 installments remained outstanding.                                                                                                                                                                                             |
| Loan 9                            | 4,975.17            | -         | -                   | -        | “Second pari passu charge on Inventory and Book debts<br>Second pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.”                                     | Loan shall be repaid in 36 monthly installments commencing from post completion of moratorium period of 12 months. As of 31 March 2026, 36 installments remained outstanding.                                                                                                                                                        |
| Loan 10                           | 4,133.98            | 600.00    | -                   | -        | “First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and futur. Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan” | Loan shall be repaid in 10 quarterly installments commencing after 1 year from the date of disbursement. As of 31 March 2026, 10 installments remained outstanding.                                                                                                                                                                  |
| Total                             | 34,005.27           | 16,001.65 | 35,908.06           | 4,988.10 |                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                      |

The rate of interest on the above term loans is in the range of 8.92% to 14.04% ( 31 March 2025 : 9.94% to 12.52% ).

The rate of interest on the above term loans is in the range of 8.92% to 14.04% (31 March 2025: 9.94% to 12.52%).



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### ii) Term loan from financial institution (secured)

(₹ Lacs)

| Particulars | As at 31 March 2026 |          | As at 31 March 2025 |          | Nature of security                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Repayment/ redemption / other terms                                                                                                                                                                                                                                              |
|-------------|---------------------|----------|---------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | Non-Current         | Current  | Non-Current         | Current  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                  |
| Loan 1      | 2,096.28            | 2,277.91 | 4,906.19            | 704.39   | "First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future. Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan."                                                                                                                                                                                                                                                                                                                                                                                                                                          | 41 substantially equal quarterly installments commencing after a moratorium of 1 year from Scheduled Commercial Operation Date (SCOD) or Actual Commercial Operation Date (COD) whichever ever is earlier. As of 31 March 2026, 6 installments remained outstanding.             |
| Loan 2      | 9,235.25            | 3,958.05 | 13,873.56           | 1,162.00 | "First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future. Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan."                                                                                                                                                                                                                                                                                                                                                                                                                                          | Loan shall be repaid in 39 structured quarterly installments commencing after a moratorium of 12 months from the Scheduled Commercial Operation date (or) actual Commercial Operation date whichever ever is earlier. As of 31 March 2026, 11 installments remained outstanding. |
| Loan 3      | -                   | 1.90     | 5.54                | 45.02    | Secured by the asset which is taken under this facility                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Loan shall be repaid in 21 structured quarterly installments commencing from April 2021. As of 31 March 2026, 1 installments remained outstanding.                                                                                                                               |
| Loan 4      | -                   | 12.03    | -                   | 45.98    | Secured by the asset which is taken under this facility                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Loan shall be repaid in 20 structured quarterly installments commencing from April 2021. The outstanding term as of 31 March 2026 was 1 installments outstanding.                                                                                                                |
| Loan 5      | -                   | 3.31     | 3.31                | 8.77     | Secured by the asset which is taken under this facility                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Loan shall be repaid in 21 structured quarterly installments commencing from August 2021. As of 31 March 2026, 2 installments remained outstanding.                                                                                                                              |
| Loan 6      | -                   | 13.75    | 13.75               | 60.81    | Secured by the asset which is taken under this facility                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Loan shall be repaid in 21 structured quarterly installments commencing from June 2021. As of 31 March 2026, 1 installments remained outstanding.                                                                                                                                |
| Loan 7      | -                   | 19.81    | 19.81               | 62.92    | Secured by the asset which is taken under this facility                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Loan shall be repaid in 21 structured quarterly installments commencing from July 2021. As of 31 March 2026, 2 installments remained outstanding.                                                                                                                                |
| Loan 8      | 3.50                | 9.76     | 13.26               | 15.35    | Secured by the asset which is taken under this facility                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Loan shall be repaid in 60 structured Monthly installments commencing from November 2021. As of 31 March 2026, 7 installments remained outstanding.                                                                                                                              |
| Loan 9      | 2,930.50            | 2,171.89 | 4,886.87            | 500.00   | A) 1. First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future. 2. Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan. B) 100% pledge of shares of Himatsingka America Inc USA and Himatsingka Holdings NA Inc (HHNA) held by HHNA and Himatsingka Seide Limited respectively. C) Residual charge on Companies property situated at Midford Garden, M.G. Road & Property situated at Vittal Malliya Road, owned by Company's Subsidiary Himatsingka Wovens Private Limited. D) Corporate Guarantee of HWPL (limited to properties charged to Exim Bank). | Loan shall be repaid in 21 structured quarterly installments commencing after a moratorium period of 2 years from first date of disbursement. As of 31 March 2026, 10 installments remained outstanding.                                                                         |
| Loan 10     | 1,758.85            | 1,304.23 | 2,933.16            | 300.00   | A) 1. First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future. 2. Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan. B) 100% pledge of shares of Himatsingka America Inc USA and Himatsingka Holdings NA Inc (HHNA) held by HHNA and Himatsingka Seide Limited respectively. C) Residual charge on Companies property situated at Midford Garden, M.G. Road & Property situated at Vittal Malliya Road, owned by Company's Subsidiary Himatsingka Wovens Private Limited. D) Corporate Guarantee of HWPL (limited to properties charged to Exim Bank). | Loan shall be repaid in 21 structured quarterly installments commencing after a moratorium period of 2 years from first date of disbursement. As of 31 March 2026, 10 installments remained outstanding.                                                                         |
| Loan 11     | 1,198.41            | 800.00   | 1,999.32            | 400.00   | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Loan Shall be repaid in 24 quarterly installments commencing from post completion of principle moratorium period of 12 months. As of 31 March 2026, 10 installments remained outstanding.                                                                                        |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

(₹ Lacs)

| Particulars  | As at 31 March 2026 |                  | As at 31 March 2025 |                 | Nature of security                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Repayment/ redemption / other terms                                                                                                                                              |
|--------------|---------------------|------------------|---------------------|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | Non-Current         | Current          | Non-Current         | Current         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                  |
| Loan 12      | 1,063.94            | 611.57           | 1,670.66            | 305.78          | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                                                                                                                                                                                                                                                                            | Loan shall be repaid in 27 structured quarterly installments commencing after 6 months from the date of disbursement. As of 31 March 2026, 11 installments remained outstanding. |
| Loan 13      | 4,945.11            | 2,223.26         | 7,319.20            | 400.00          | A) First charge on Companies property situated at Midford Garden, M.G. Road & Property situated at Vittal Malliya Road, owned by company's Subsidiary HWPL<br>B) Corporate Guarantee from HWPL only to the extent of properties charged with Exim Bank.                                                                                                                                                                                                                                         | Loan shall be repaid in 18 structured quarterly installments commencing after 6 months from the date of disbursement. As of 31 March 2026, 9 installments remained outstanding.  |
| Loan 14      | 864.44              | 500.00           | 1,370.55            | 250.00          | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                                                                                                                                                                                                                                                                            | Loan shall be repaid in 20 structured quarterly installments commencing after 3 months from the date of disbursement. As of 31 March 2026, 11 installments remained outstanding. |
| Loan 15      | 6,755.88            | 2,190.76         | 4,455.72            | 1,149.99        | 1) First pari passu charge on present and future Fixed Assets of the company's plants situated at Doddaballapur and Hassan<br>2) Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan.<br>3) Second charge on Companies property situated at Midford Garden, M.G. Road & Property situated at Vittal Malliya Road, owned by company's Subsidiary HWPL and<br>4) Corporate Guarantee from HWPL only to the extent of properties charged with Exim Bank. | Loan shall be repaid in 18 structured quarterly installments commencing after 6 months from the date of disbursement. As of 31 March 2026, 13 installments remained outstanding. |
| Loan 16      | 2,510.17            | 910.00           | 2,734.95            | 490.00          | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                                                                                                                                                                                                                                                                            | Loan shall be repaid in 13 structured quarterly installments commencing after 6 months from the date of disbursement. As of 31 March 2026, 9 installments remained outstanding.  |
| <b>Total</b> | <b>33,362.33</b>    | <b>17,008.23</b> | <b>46,205.85</b>    | <b>5,901.01</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                  |

The rate of interest on the above term loans is in the range of 8.75% to 13.72% (31 March 2025 : 9.59% to 13.56%).



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### iii) Non convertible Debentures from financial institution (secured)

(₹ Lacs)

| Particulars  | As at 31 March 2026 |                 | As at 31 March 2025 |                 | Nature of security                                                                                                                                                                                                                      | Repayment/ redemption / other terms                                                                                                                                           |
|--------------|---------------------|-----------------|---------------------|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | Non-Current         | Current         | Non-Current         | Current         |                                                                                                                                                                                                                                         |                                                                                                                                                                               |
| NCD 01       | 36,991.13           | 5,750.00        | 42,643.28           | 2,875.00        | First pari-passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                    | NCD shall be repaid in 16 equal semi - annual installments commencing after 3 years from the date of disbursement. As of 31 March 2026, 15 installments remained outstanding. |
| NCD 02       | 4,865.67            | 1,625.00        | -                   | -               | First pari-passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                    | NCD shall be repaid in 8 quarterly installments after 18 months of moratorium period. As of 31 March 2026, 8 installments remained outstanding.                               |
| NCD 03       | 8,720.25            | 1,200.00        | -                   | -               | First pari-passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.<br>Negative Lien over land admeasuring 4.85 acre located at Sy. No. 25, 17/1, 17/2 & 23 at Hassan. | NCD shall be repaid in 10 quarterly installments after 12 months of moratorium period. As of 31 March 2026, 10 installments remained outstanding.                             |
| <b>Total</b> | <b>50,577.05</b>    | <b>8,575.00</b> | <b>42,643.28</b>    | <b>2,875.00</b> |                                                                                                                                                                                                                                         |                                                                                                                                                                               |

The rate of interest on the above non convertible debentures is in the range of 10.11% to 14.77% (31 March 2025 : 11.42%).

### iv) Foreign currency convertible bonds from financial institution (unsecured)

|              |                  |          |                  |          |                                                                        |                                                                                                                                                                                                                                                                                                                                                                   |
|--------------|------------------|----------|------------------|----------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FCCB 01      | 11,753.74        | -        | 10,598.98        | -        | The foreign currency convertible bonds are not backed by any security. | FCCB shall be repaid in 2 equal installments. 50% of the principal amount of the loan is repayable at the end of 5 years from the issue date of first tranche (26 April 2023) and balance 50% at the end of 5 years 6 months or can be converted at any time into equity shares at the holder's option. As of 31 March 2026, 2 installments remained outstanding. |
| <b>Total</b> | <b>11,753.74</b> | <b>-</b> | <b>10,598.98</b> | <b>-</b> |                                                                        |                                                                                                                                                                                                                                                                                                                                                                   |

The rate of interest on the above Foreign currency convertible bonds is 4.50% (31 March 2025 : 4.50%).



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 15: Provisions

(₹ Lacs)

| Particulars                              | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------|---------------------|---------------------|
| <b>Non-current</b>                       |                     |                     |
| Provision for gratuity (refer note 15.2) | 2,308.05            | 1,949.21            |
| <b>Total</b>                             | <b>2,308.05</b>     | <b>1,949.21</b>     |
| <b>Current</b>                           |                     |                     |
| Provision for compensated absences       | 469.12              | 257.55              |
| Provision for gratuity (refer note 15.2) | 1,148.29            | 956.63              |
| <b>Total</b>                             | <b>1,617.41</b>     | <b>1,214.18</b>     |

**Note 15.1 :** On 21 November 2025, the Government of India notified the four labour codes the Code on Wages 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes', consolidating 29 existing labour laws. The Ministry of Labour and Employment has published draft Central Rules and FAQs to facilitate the assessment of the financial impact arising from the regulatory changes.

Accordingly, the Company, considering best available information, has made a preliminary assessment and accounted for the incremental impact under Employee benefits expenses in the Statement of Profit and Loss during the year. The Government is in the process of notifying related Central / State rules to the New Labour Codes and the consequent impact of these will be evaluated and accounted for, as needed, in accordance with applicable accounting standards in the period in which they are notified.

### Note 15.2 : Employee benefit

The Company operates the following post-employment defined benefit plan.

#### Defined benefit plan

The Company operates post-employment defined benefit plan that provide gratuity, governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years (1 year in case of fixed term employees which includes contract employees) are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months. The gratuity plan is a funded plan. There is no maximum limit for the payment of gratuity benefit. The present value of obligation is determined based on an actuarial valuation as at the reporting date using the Projected Unit Credit Method.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

#### A) Funding

The Company's gratuity scheme for employees is administered through insurance fund. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (E). Employees do not contribute to the plan.

The Company expects to contribute ₹ 1,148.29 lacs (31 March 2025 : ₹ 956.63 lacs) to its defined benefit plan in the next financial year.

### The expected maturity analysis of undiscounted gratuity is as follows:

(₹ Lacs)

| Particulars        | As at 31 March 2026 | As at 31 March 2025 |
|--------------------|---------------------|---------------------|
| 1 year             | 1,164.85            | 964.86              |
| 2 to 5 years       | 1,509.63            | 1,169.86            |
| 6 to 10 years      | 1,135.33            | 1,081.54            |
| More than 10 years | 995.94              | 853.31              |



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### B) Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ assets and its components:

#### Reconciliation of present value of defined benefit obligation

(₹ Lacs)

| Particulars                                                                               | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------------|---------------------|---------------------|
| Obligation at the beginning of the year                                                   | 2,914.01            | 3,010.09            |
| Interest cost                                                                             | 191.70              | 213.46              |
| Current service cost                                                                      | 257.65              | 261.07              |
| Past service cost (refer note 15.1)                                                       | 268.04              | –                   |
| Benefits paid                                                                             | (312.59)            | (235.45)            |
| Actuarial (gains)/losses on obligations recognised in other comprehensive income          |                     |                     |
| – Changes in financial assumptions                                                        | 57.82               | (363.03)            |
| – Experience adjustments                                                                  | 96.16               | 27.87               |
| <b>Obligation at the end of the year</b>                                                  | <b>3,472.79</b>     | <b>2,914.01</b>     |
| <b>Reconciliation of present value of plan assets</b>                                     |                     |                     |
| Plan assets at the beginning of the year, at fair value                                   | 8.17                | 189.75              |
| Interest income on plan assets                                                            | 0.34                | 13.34               |
| Contributions                                                                             | 320.49              | 51.10               |
| Benefits paid                                                                             | (312.59)            | (235.45)            |
| Return on plan assets, excluding interest income recognised in other comprehensive income | 0.04                | (10.57)             |
| <b>Plan assets at the end of the year, at fair value</b>                                  | <b>16.45</b>        | <b>8.17</b>         |
| <b>Net defined benefit liability</b>                                                      | <b>3,456.34</b>     | <b>2,905.84</b>     |

#### C) i) Expense recognised in the Statement of Profit or Loss

(₹ Lacs)

| Particulars                         | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|-------------------------------------|----------------------------------|----------------------------------|
| Current service cost                | 257.65                           | 261.07                           |
| Past service cost (refer note 15.1) | 268.04                           | –                                |
| Interest cost                       | 191.70                           | 213.46                           |
| Expected return on plan assets      | (0.34)                           | (13.34)                          |
| <b>Net benefit expense</b>          | <b>717.05</b>                    | <b>461.19</b>                    |

#### ii) Remeasurement recognised in other comprehensive income

(₹ Lacs)

| Particulars                                                                | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|----------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Actuarial gain on defined benefit obligation                               | 153.98                           | (335.16)                         |
| Return on plan assets, excluding amount recognised in net interest expense | (0.04)                           | 10.57                            |
| <b>Total (gain) / loss recognised in other comprehensive income</b>        | <b>153.94</b>                    | <b>(324.59)</b>                  |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### D) Plan assets

(₹ Lacs)

| Particulars    | As at 31 March 2026 | As at 31 March 2025 |
|----------------|---------------------|---------------------|
| Insurance fund | 16.45               | 8.17                |
| <b>Total</b>   | <b>16.45</b>        | <b>8.17</b>         |

### E) Defined benefit obligation

#### i) Principal actuarial assumptions

| Particulars                                                        | For the year ended<br>31 March 2026                     | For the year ended<br>31 March 2025            |
|--------------------------------------------------------------------|---------------------------------------------------------|------------------------------------------------|
| Discount rate                                                      | 6.45%                                                   | 6.50%                                          |
| Future salary growth                                               | 0.00 % for first 1 years,<br>and 3% to 4%<br>thereafter | 0.00 % for first 2 years,<br>and 3% thereafter |
| Mortality                                                          | 100% of<br>[IALM2012-14]                                | 100% of<br>[IALM 2012-14]                      |
| Attrition rate                                                     | 2% - 50%                                                | 2% - 50%                                       |
| Weighted average duration of defined benefit obligation (in years) | 4                                                       | 5                                              |
| Retirement age (in years)                                          | 58                                                      | 58                                             |

#### Notes:

- The discount rate is based on the prevailing market yield on indian government bonds as at the balance sheet date for the estimated term of obligations.
- The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.
- The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

#### ii) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant would have affected defined benefit obligation by amounts shown below:

(₹ Lacs)

| Particulars                                         | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------------------------|---------------------|---------------------|
| Projected benefit obligation on current assumptions | 3,472.79            | 2,914.01            |
| Impact of change in discount rate by +1%            | (147.16)            | (125.43)            |
| Impact of change in discount rate by -1%            | 161.15              | 137.51              |
| Impact of change in salary growth rate by +1%       | 165.50              | 142.47              |
| Impact of change in salary growth rate by -1%       | (153.70)            | (132.06)            |
| Impact of change in attrition rate by +50%          | 16.09               | 14.64               |
| Impact of change in attrition rate by -50%          | (28.16)             | (25.15)             |
| Impact of change in mortality rate by +10%          | 0.83                | 0.95                |
| Impact of change in mortality rate by -10%          | (0.83)              | (0.95)              |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Defined contribution plans:

The Company's contribution to various defined contribution plans recognised in the statement of profit and loss under the head employee benefit expense are as follows:

(₹ Lacs)

| Particulars                | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|----------------------------|-------------------------------------|-------------------------------------|
| Provident fund             | 1,351.41                            | 1,466.82                            |
| Employees' state insurance | 231.44                              | 272.48                              |
| NPS fund                   | 62.71                               | 57.03                               |
| <b>Total</b>               | <b>1,645.56</b>                     | <b>1,796.33</b>                     |

### Note 16 : Other liabilities

(₹ Lacs)

| Particulars                                                      | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------|---------------------|---------------------|
| <b>Non-current</b>                                               |                     |                     |
| Deferred income arising from government grants (refer note 16.1) | 4,619.06            | 5,079.34            |
| Deferred Security Deposit                                        | 20.46               | 22.98               |
| <b>Total</b>                                                     | <b>4,639.52</b>     | <b>5,102.32</b>     |
| <b>Current</b>                                                   |                     |                     |
| Deferred income arising from government grants (refer note 16.1) | 460.30              | 460.30              |
| Advances received from customers                                 | 645.31              | 933.22              |
| Statutory liabilities                                            | 324.52              | 489.66              |
| <b>Total</b>                                                     | <b>1,430.13</b>     | <b>1,883.18</b>     |

#### Note 16.1 : Deferred income arising from government grants

The Company has received credit linked capital grant from the government. The Company has presented such amortisation of deferred income as a deduction from the related expenses.

### Note 17 : Current borrowings

(₹ Lacs)

| Particulars                                                    | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------|---------------------|---------------------|
| <b>Secured borrowings</b>                                      |                     |                     |
| <b>Loans repayable on demand</b>                               |                     |                     |
| From banks (refer note 17.1 and 17.2 below)                    | 75,665.23           | 79,540.40           |
| From Financial Institutions (refer note 17.1 and 17.2 below)   | –                   | 3,500.00            |
| Bill discounting (refer note 10.1)                             | 14,979.29           | 20,121.44           |
| Current maturities of non-current borrowings (refer note 14.1) | 41,584.88           | 13,764.11           |
| <b>Total</b>                                                   | <b>1,32,229.40</b>  | <b>1,16,925.95</b>  |

**Note-17.1:** The weighted average effective interest rate (net of subsidy) on the bank loans is 9.29% per annum (9.58% as at 31 March 2025).

**Note-17.2:** Working capital limits secured by pari passu charge by way of hypothecation of stock and book debts of the Company and in case of working capital loan from one bank, there is an additional security by way of first charge over fixed assets of the Company.

**Note-17.3:** The Company have filed the quarterly returns or statement with the banks/financial institutions according to the sanctioned working capital facilities, which are in agreement with books of accounts.

Information about the Company's exposure to interest rate, currency and liquidity risk are disclosed in note 33.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 18: Trade payables

(₹ Lacs)

| Particulars                                                                            | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Current</b>                                                                         |                     |                     |
| Total outstanding dues of micro enterprises and small enterprises (refer note 18.1)    | 11,509.61           | 13,821.63           |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 73,172.21           | 69,740.15           |
| <b>Total</b>                                                                           | <b>84,681.82</b>    | <b>83,561.78</b>    |

All trade payables are current.

The Company's exposure to currency and liquidity risk are disclosed in note 33.

For terms and conditions with related parties, refer to note 34.

### Supplier Financing Arrangement

In the ordinary course of business, the Company enters into supplier financing arrangements with certain suppliers. These arrangements allow suppliers to receive early payment for their invoices through a third-party financial institution (the Financing Institution). The Financing Institution pays the supplier early at a discounted rate, and the company settles the outstanding balance directly with the Financing Institution at the end of the agreed-upon terms.

(₹ Lacs)

| Particulars                                                      | As at 31 March 2026 |
|------------------------------------------------------------------|---------------------|
| Presented within trade and other payables                        | 35,210.43           |
| – of which suppliers have received payment from finance provider | 35,196.96           |
| <b>Range of payment due dates</b>                                |                     |
| Liabilities that are part of the arrangement                     | 90-180 days         |
| Trade payables that are not part of an arrangement               | 0-120 days          |

Pursuant to Notification No. G.S.R. 549(E) dated 13 August 2025 which amended Paragraph 63 of Ind AS 7, the Company has not presented comparative information for supplier financing arrangements, this being the first annual reporting year of application of the amended disclosure requirements.

### Note 18.1 : Dues of small enterprises and micro enterprises

The disclosure pursuant to the Micro, small and medium enterprises development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at 31 March 2026 and 31 March 2025 is as under:

(₹ Lacs)

| Particulars                                                                                                                                                                                                                                                                         | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year                                                                                                                                                                            |                     |                     |
| – Principal*                                                                                                                                                                                                                                                                        | 11,509.61           | 13,821.63           |
| – Interest                                                                                                                                                                                                                                                                          | 421.56              | 421.56              |
| The amount of interest paid by the buyer in terms of Section 16 of MSMED Act along with the amount of the payment made to the supplier beyond the appointed day during the year                                                                                                     | –                   | –                   |
| The amount of interest due and payable for the period of delay in making payment (which has been paid beyond the appointed day during the year) but without adding the interest specified                                                                                           | –                   | –                   |
| The amount of interest accrued and remaining unpaid at the end of year                                                                                                                                                                                                              | –                   | –                   |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 | –                   | –                   |

The above disclosure has been made in the standalone financial statements based on the information received and available with the Company.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 18.2: Trade Payables ageing schedule

As at 31 March 2026

(₹ Lacs)

| Particulars                | Unbilled dues   | Not Due          | Outstanding for following periods from due date of payment |                 |                 |                   |                  |
|----------------------------|-----------------|------------------|------------------------------------------------------------|-----------------|-----------------|-------------------|------------------|
|                            |                 |                  | Less than 1 year                                           | 1-2 years       | 2-3 years       | More than 3 years | Total            |
| i) MSME*                   | –               | 3,458.01         | 4,498.92                                                   | 1,854.81        | 1,378.97        | 318.90            | 11,509.61        |
| ii) Others                 | 2,873.44        | 48,813.21        | 17,550.20                                                  | 1,159.55        | 994.32          | 1,781.49          | 73,172.21        |
| iii) Disputed dues – MSME* | –               | –                | –                                                          | –               | –               | –                 | –                |
| iv) Disputed dues – Others | –               | –                | –                                                          | –               | –               | –                 | –                |
| <b>Total</b>               | <b>2,873.44</b> | <b>52,271.22</b> | <b>22,049.12</b>                                           | <b>3,014.36</b> | <b>2,373.29</b> | <b>2,100.39</b>   | <b>84,681.82</b> |

As at 31 March 2025

(₹ Lacs)

| Particulars                | Unbilled dues   | Not Due          | Outstanding for following periods from due date of payment |                 |                 |                   |                  |
|----------------------------|-----------------|------------------|------------------------------------------------------------|-----------------|-----------------|-------------------|------------------|
|                            |                 |                  | Less than 1 year                                           | 1-2 years       | 2-3 years       | More than 3 years | Total            |
| i) MSME*                   | –               | 7,795.51         | 4,072.11                                                   | 1,332.47        | 404.84          | 216.70            | 13,821.63        |
| ii) Others                 | 5,326.72        | 42,744.17        | 15,361.18                                                  | 2,351.54        | 2,352.79        | 1,603.75          | 69,740.15        |
| iii) Disputed dues – MSME* | –               | –                | –                                                          | –               | –               | –                 | –                |
| iv) Disputed dues – Others | –               | –                | –                                                          | –               | –               | –                 | –                |
| <b>Total</b>               | <b>5,326.72</b> | <b>50,539.68</b> | <b>19,433.29</b>                                           | <b>3,684.01</b> | <b>2,757.63</b> | <b>1,820.45</b>   | <b>83,561.78</b> |

\*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

### Note 19 : Other financial liabilities

(₹ Lacs)

| Particulars                                                 | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------|---------------------|---------------------|
| <b>Non-current</b>                                          |                     |                     |
| Security deposit received                                   | 28.37               | 26.49               |
| <b>Total</b>                                                | <b>28.37</b>        | <b>26.49</b>        |
| <b>Current</b>                                              |                     |                     |
| Interest accrued but not due on borrowings                  | 2,045.37            | 2,086.99            |
| Capital creditors                                           | 211.02              | 755.34              |
| Employee related liabilities                                | 2,853.92            | 2,817.01            |
| Derivative liabilities - foreign exchange forward contracts | 3,728.99            | 256.58              |
| Unclaimed dividend (refer note 19.1)                        | 56.21               | 36.33               |
| <b>Total</b>                                                | <b>8,895.51</b>     | <b>5,952.25</b>     |

The Company's exposure to currency and liquidity risk are disclosed in note 33.

**Note 19.1** As at 31 March 2026 (31 March 2025: Nil), there is no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) by the company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 20 : Revenue from operations

(₹ Lacs)

| Particulars                                                                    | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|--------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Revenue from contracts with customers - sale of goods* (refer note 20.2 below) | 1,70,520.14                         | 1,99,782.27                         |
| Other operating revenues (refer note 20.1 below)                               | 17,719.62                           | 22,266.72                           |
| <b>Total revenue from operations</b>                                           | <b>1,88,239.76</b>                  | <b>2,22,048.99</b>                  |

\*Refer note 34 for related party transactions

### Note 20.1 : Other operating revenue comprises of :

(₹ Lacs)

|                                                                 |                  |                  |
|-----------------------------------------------------------------|------------------|------------------|
| Revenue from contracts with customers – sale of waste and scrap | 3,882.03         | 4,517.26         |
| Export incentives                                               | 13,837.59        | 17,749.46        |
| <b>Total</b>                                                    | <b>17,719.62</b> | <b>22,266.72</b> |

### Note 20.2 : Disaggregated revenue information:

The Company derives its revenue primarily from sale of textile products. Revenues from different geographic region based on the location of the customers have been disclosed in Note 30 (a)

### Note 20.3 Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

(₹ Lacs)

| Particulars                                                                              | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Revenue as per contracted price                                                          | 1,79,611.00                         | 2,15,318.30                         |
| Less: Rebates, discounts, chargebacks, markdowns, etc.                                   | (5,208.83)                          | (11,018.77)                         |
| <b>Revenue from contracts with customers – sale of goods and sale of waste and scrap</b> | <b>1,74,402.17</b>                  | <b>2,04,299.53</b>                  |

### Note 20.4 Timing of revenue recognition

(₹ Lacs)

| Particulars                                                                              | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Goods transferred at a point in time                                                     |                                     |                                     |
| – Sale of goods                                                                          | 1,70,520.14                         | 1,99,782.27                         |
| – Sale of waste and scrap                                                                | 3,882.03                            | 4,517.26                            |
| <b>Revenue from contracts with customers – sale of goods and sale of waste and scrap</b> | <b>1,74,402.17</b>                  | <b>2,04,299.53</b>                  |

### Note 20.5 Contract balances

The following table provides information about receivables, contract assests and contract liabilities from contract with customers (₹Lacs)

| Particulars                               | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|-------------------------------------------|-------------------------------------|-------------------------------------|
| Trade receivables                         | 2,07,115.50                         | 1,80,646.21                         |
| Advance from customers (refer note 16)    | 645.31                              | 933.22                              |
| Contract acquisition costs (refer note 8) | 1,804.01                            | 3,225.53                            |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 21 : Other income

(₹ Lacs)

| Particulars                                                                                             | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|---------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>a) Interest income</b>                                                                               |                                     |                                     |
| Interest from bank deposits                                                                             | 318.94                              | 473.75                              |
| Interest on electricity deposits                                                                        | 133.01                              | 156.73                              |
| Interest income earned on financial assets that are not designated at fair value through profit or loss | 19.96                               | 14.94                               |
| <b>Total (a)</b>                                                                                        | <b>471.91</b>                       | <b>645.42</b>                       |
| <b>b) Other than interest income</b>                                                                    |                                     |                                     |
| Foreign exchange gain                                                                                   | 18,866.34                           | 3,698.09                            |
| Income on financial guarantee contracts                                                                 | 2.19                                | 19.36                               |
| Dividend Income                                                                                         | 43.75                               | 231.00                              |
| Miscellaneous income                                                                                    | 158.89                              | 132.87                              |
| <b>Total (b)</b>                                                                                        | <b>19,071.17</b>                    | <b>4,081.32</b>                     |
| <b>Total (a+b)</b>                                                                                      | <b>19,543.08</b>                    | <b>4,726.74</b>                     |

### Note 22: Cost of materials consumed and changes in inventories

(₹ Lacs)

| Particulars                                                                     | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|---------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>A) Cost of raw materials and packing materials consumed</b>                  |                                     |                                     |
| Inventories of raw materials and packing materials at the beginning of the year | 3,422.35                            | 3,479.11                            |
| Add: Purchase                                                                   | 1,08,098.81                         | 1,21,629.80                         |
| Less: Inventories of raw materials and packing materials at the end of the year | 4,425.45                            | 3,422.35                            |
| <b>Cost of raw materials and packing materials consumed</b>                     | <b>1,07,095.71</b>                  | <b>1,21,686.56</b>                  |
| <b>B) Changes in inventories of finished goods and work-in-progress</b>         |                                     |                                     |
| <b>Opening stock:</b>                                                           |                                     |                                     |
| – Work in progress                                                              | 35,430.06                           | 27,012.40                           |
| – Finished goods                                                                | 7,824.83                            | 8,357.92                            |
| <b>Closing stock:</b>                                                           |                                     |                                     |
| – Work in progress                                                              | 37,127.18                           | 35,430.06                           |
| – Finished goods                                                                | 20,912.52                           | 7,824.83                            |
| <b>Changes in inventories of finished goods and work-in-progress</b>            | <b>(14,784.81)</b>                  | <b>(7,884.57)</b>                   |

### Note 23 : Employee benefits expense

(₹ Lacs)

| Particulars                                                 | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|-------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Salaries, wages and bonus                                   | 21,282.55                           | 21,293.87                           |
| Contribution to provident and other funds (refer note 15.2) | 1,645.56                            | 1,796.33                            |
| Gratuity expenses (refer note 15.2)                         | 717.05                              | 461.19                              |
| Expenses related to compensated absence                     | 498.93                              | (297.27)                            |
| Workmen and staff welfare expenses                          | 814.82                              | 1,197.80                            |
| <b>Total</b>                                                | <b>24,958.91</b>                    | <b>24,451.92</b>                    |

refer note 34

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 24 : Finance costs

(₹ Lacs)

| Particulars                                                                                 | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|---------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Interest expense on :</b>                                                                |                                     |                                     |
| Financial liability at amortised cost                                                       |                                     |                                     |
| Interest on term loans [net of subsidy ₹ 5,600.00 Lacs<br>(31 March 2025: ₹ 4,500.00 lacs)] | 10,146.00                           | 12,283.19                           |
| Interest on working capital loans                                                           | 9,000.57                            | 9,589.83                            |
| Interest on payment of income tax                                                           | 161.58                              | 123.42                              |
| Interest on lease liabilities (refer note 29)                                               | 211.00                              | 86.96                               |
| Other borrowing costs                                                                       | 6,115.03                            | 4,471.27                            |
| Exchange differences regarded as an adjustment to borrowing costs                           | 657.22                              | 275.94                              |
| <b>Total</b>                                                                                | <b>26,291.40</b>                    | <b>26,830.61</b>                    |

### Note 25 : Depreciation and amortisation expense

(₹ Lacs)

| Particulars                                                                  | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Depreciation on property, plant and equipment (refer note 3.1)               | 11,533.26                           | 13,127.61                           |
| Depreciation on right-of- use assets (refer note 29)                         | 242.36                              | 74.34                               |
| Amortization of intangible assets (refer note 3.3)                           | 307.75                              | 324.48                              |
| Less: Amortization of deferred income on government grants (refer note 16.1) | (460.29)                            | (1,950.25)                          |
| <b>Total</b>                                                                 | <b>11,623.08</b>                    | <b>11,576.18</b>                    |

### Note 26 : Other expenses

(₹ Lacs)

| Particulars                                                                  | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Consumption of stores and spare parts                                        | 1,366.54                            | 1,074.16                            |
| Power and fuel*                                                              | 21,115.40                           | 23,149.49                           |
| Contract labour charges                                                      | 3,362.57                            | 3,107.82                            |
| Freight outward*                                                             | 2,853.30                            | 1,564.20                            |
| Rent (refer note 29)*                                                        | 1,122.25                            | 1,121.12                            |
| Travelling and conveyance expenses                                           | 1,699.95                            | 1,711.67                            |
| Advertisement, selling and publicity expenses                                | 1,675.55                            | 2,391.67                            |
| Professional and consultancy charges*                                        | 994.75                              | 1,135.03                            |
| Payments to auditors (refer note 26.1 below)                                 | 83.93                               | 143.78                              |
| Repairs and maintenance                                                      |                                     |                                     |
| i. plant and machinery                                                       | 332.97                              | 347.40                              |
| ii. buildings                                                                | 125.28                              | 63.58                               |
| iii. others                                                                  | 436.64                              | 427.38                              |
| Product design and development charges                                       | 234.51                              | 302.73                              |
| Water charges                                                                | 468.86                              | 197.58                              |
| Insurance                                                                    | 995.79                              | 915.97                              |
| Expenditure on corporate social responsibility (CSR) (refer note 26.2 below) | 132.79                              | 221.51                              |
| Job work charges                                                             | 703.11                              | 455.89                              |
| Security charges                                                             | 369.06                              | 403.31                              |
| Communication expenses                                                       | 268.79                              | 341.50                              |
| Rates and taxes                                                              | 329.63                              | 353.48                              |
| Printing and stationery                                                      | 29.21                               | 20.85                               |
| Commission on sales                                                          | 80.36                               | 77.99                               |
| Loss on sale of property, plant and equipment (net)                          | 14.46                               | 7.94                                |
| Bad debts written off                                                        | 35.02                               | 66.75                               |
| Loss allowance on financial assets                                           | 1,363.27                            | 1,511.14                            |
| Miscellaneous expenses                                                       | 531.48                              | 490.86                              |
| <b>Total</b>                                                                 | <b>40,725.47</b>                    | <b>41,604.80</b>                    |

\*refer note 34



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 26.1 : Payments to auditors

(₹ Lacs)

| Particulars                             | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|-----------------------------------------|-------------------------------------|-------------------------------------|
| <b>As auditor:</b>                      |                                     |                                     |
| – Audit fee*                            | 74.00                               | 74.00                               |
| <b>In other capacity:</b>               |                                     |                                     |
| – Other services (certification fees)** | 4.50                                | 64.00                               |
| – Reimbursement of expenses             | 5.43                                | 5.78                                |
| <b>Total</b>                            | <b>83.93</b>                        | <b>143.78</b>                       |

\* includes fee for limited reviews

\*\*Certification fee of previous year includes auditors remuneration related to Qualified Institutions Placement ('QIP')

### Note 26.2 : Corporate Social Responsibility

The Company has spent towards various schemes of corporate social responsibility (CSR) as prescribed under Section 135 of the Companies Act, 2013. The details are:

(₹ Lacs)

| Particulars                                                                                        | For the year ended<br>31 March 2026                                                                                                         | For the year ended<br>31 March 2025                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i) Amount required to be spent by the Company during the year                                      | 132.79                                                                                                                                      | 229.10                                                                                                                                                                                                                                                                                                                                                                                                      |
| ii) Amount required to be set-off for the financial year                                           | –                                                                                                                                           | 7.59                                                                                                                                                                                                                                                                                                                                                                                                        |
| iii) Amount approved by the Board and required to be spent by the Company during the year (i - ii) | 132.79                                                                                                                                      | 221.51                                                                                                                                                                                                                                                                                                                                                                                                      |
| iv) Amount of expenditure incurred on:                                                             |                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                             |
| a) Construction/acquisition of any asset                                                           | –                                                                                                                                           | –                                                                                                                                                                                                                                                                                                                                                                                                           |
| b) On purposes other than (a) above                                                                | 132.79                                                                                                                                      | 131.86                                                                                                                                                                                                                                                                                                                                                                                                      |
| v) Shortfall/(excess) at the end of the year*                                                      | –                                                                                                                                           | 89.65                                                                                                                                                                                                                                                                                                                                                                                                       |
| vi) Total of previous years shortfall                                                              | –                                                                                                                                           | –                                                                                                                                                                                                                                                                                                                                                                                                           |
| vii) Reason for shortfall*                                                                         | –                                                                                                                                           | Pertains to ongoing projects.                                                                                                                                                                                                                                                                                                                                                                               |
| viii) Nature of CSR activities                                                                     | Skill development and providing employment to Apprentices under Apprentices Act as per the National Apprenticeship Promotion Scheme (NAPS). | – Skill development and providing employment to Apprentices under Apprentices Act as per the National Apprenticeship Promotion Scheme (NAPS).<br>– District Education Progress: To undertake renovation and development of Government schools in Hassan District.<br>– Villages Development: To undertake Village infrastructure development of Kokkanaghatta, Hanumanthapura, villages of Hassan district. |
| ix) Details of related party transactions                                                          |                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                             |
| a) Contribution to Himatsingka Foundation in relation to CSR expenditure                           | –                                                                                                                                           | 89.65                                                                                                                                                                                                                                                                                                                                                                                                       |

\*During the previous year the unspent amount in respect of ongoing projects is transferred to Himatsingka Foundation (formed by the Company) and Himatsingka Foundation has transferred it to a special account in accordance with the provisions of the Companies Act, 2013.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 27 : Commitments

(₹ Lacs)

| Particulars                                                                                    | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 2,294.51            | 1,065.99            |

#### ii) Other commitments :

The Company has imported capital goods under the Export Promotion Capital Goods (EPCG) scheme and Advance Authorisation to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports within the stipulated period. Such export obligations at year end aggregate to ₹ 6,295.95 lacs (31 March 2025 capital goods and spare parts amounting to ₹ 6,089.04 lacs).

### Note 28 : Contingent liabilities

(₹ Lacs)

| Particulars                                                                                                         | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>a) Claims against the Company not acknowledged as debt</b>                                                       |                     |                     |
| – Income tax matters (refer note 28.1 and 28.2.a)                                                                   | 1,453.75            | 418.45              |
| – GST, Custom, service tax and excise duty related matter (excludes penalties, if any) (refer note 28.1 and 28.2.b) | 1,335.49            | 1,335.49            |
|                                                                                                                     | <b>2,789.24</b>     | <b>1,753.94</b>     |
| <b>b) Corporate guarantee given towards credit facilities on behalf of subsidiaries</b>                             |                     |                     |
| – Financial institutions                                                                                            | –                   | 1,629.22            |
|                                                                                                                     | <b>–</b>            | <b>1,629.22</b>     |
| <b>Total</b>                                                                                                        | <b>2,789.24</b>     | <b>3,383.16</b>     |

**Note 28.1 :** The above amounts have been arrived at based on the notice of demand or the assessment orders, as the case may be, and the Company is contesting these claims with the respective authorities. Outflows including interest and other consequential payments, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the judiciary. The Company doesn't expect any reimbursements in respect of the above contingent liabilities.

#### Note 28.2 :

##### a) Contingent liabilities under Income Tax Act 1961 of ₹ 1,453.75 lacs (31 March 2025 : ₹ 418.45 lacs) includes:

- Disputed demands of ₹ 30.50 Lacs (31 March 2025 : ₹ 30.50 Lacs) pertain to AY 2006-07 and AY 2009-10, being disallowance of corporate expenses, disallowance under Section 14A and disallowance of interest under section 36(1)(iii).
- Disputed demands of ₹ 287.17 Lacs (31 March 2025 : ₹ 287.17 Lacs) pertain to AY 2018-19, AY 2019-20 and AY 2020-21 relates to withholding of taxes for payment made outside India for consultancy and marketing services.
- Other disputed demands of ₹ 100.78 Lacs (31 March 2025 : 100.78 Lacs) pertain to AY 2008-09 and AY 2016-17 related to Transfer pricing adjustments on account of interest on loan, commission on guarantees provided to subsidiaries etc.
- Other disputed demands of ₹ 1,035.30 Lacs pertains to AY 2021-22 related to Transfer pricing adjustments on account of marketing support HEL, sale of power, sale of steam.

##### b) Contingent liabilities under Custom, service tax and excise duties of ₹ 1,335.49 Lacs (31 March 2025 : ₹ 1,335.49 Lacs) includes:

- Disputed demand of ₹ 668.90 Lacs (31 March 2025 : ₹ 668.90 Lacs) relating to transfer price adjustments on certain transactions with related parties.
- Disputed demand of ₹ 641.46 Lacs (31 March 2025 : ₹ 641.46 Lacs) on account of classification of imported Textile Sizing Chemical.
- Disputed demand of ₹ 25.13 Lacs (31 March 2025 : 25.13) relating to Goods and Service Tax (GST) input.



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 29: Leases

The Company has lease contracts for various items of plant and machinery used in its operations. Leases of plant and machinery generally have lease terms between 5 and 10 years. The Company's obligations under its leases are secured by the lessor's title to the right-of-use assets. The Company also has certain leases with lease terms of 12 months or less and leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

#### I) Right-of-use assets:

(₹ Lacs)

| Particulars                              | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------|---------------------|---------------------|
| <b>Plant and equipment</b>               |                     |                     |
| Balance as at the beginning of the year  | 2,348.73            | –                   |
| Additions                                | 81.48               | 2,423.07            |
| Amortisation for the year                | (242.36)            | (74.34)             |
| <b>Balance as at the end of the year</b> | <b>2,187.85</b>     | <b>2,348.73</b>     |

#### II) Lease liabilities:

(₹ Lacs)

| Particulars                              | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------|---------------------|---------------------|
| Opening lease liabilities                | 1,960.98            | –                   |
| Additions                                | –                   | 1,988.03            |
| Interest expense on lease liabilities    | 211.00              | 86.96               |
| Payment of lease liabilities             | (547.14)            | (114.01)            |
| <b>Balance as at the end of the year</b> | <b>1,624.84</b>     | <b>1,960.98</b>     |

(₹ Lacs)

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|-------------|---------------------|---------------------|
| Current     | 377.10              | 336.14              |
| Non-current | 1,247.74            | 1,624.84            |

The maturity analysis of lease liabilities are disclosed in note 33.2

When measuring lease liabilities for leases that were classified as financing leases, the Company discounted lease payments using its incremental borrowing rate at 1 April 2026. The weighted-average rate applied was 11.60%.

#### III) Amounts recognised in profit or loss

(₹ Lacs)

| Particulars                                                         | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|---------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Interest on lease liabilities                                       | 211.00                              | 86.96                               |
| Depreciation expense on right-of-use asset                          | 242.36                              | 74.34                               |
| Expenses relating to short-term leases (included in other expenses) | 1,122.25                            | 1,121.12                            |

#### IV) Amounts recognised in statement of cash flows

(₹ Lacs)

| Particulars                                                                | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|----------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| The total cash outflow of short-term leases and leases of low-value assets | 1,669.39                            | 1,235.12                            |

### Note 30 : Segment reporting

The Executive Vice Chairman & Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The Company is structured into a single segment of Textiles value chain, and accordingly the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the textiles and segment information has been presented accordingly.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

The geographical information analyses the Company's revenue from external customer and non-current assets of its single reportable segment by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customer and segment assets which have been based on the geographical location of the assets.

a) Geographical revenues are segregated based on the location of the customers who are invoiced or in relation to which the revenue is otherwise recognised:

(₹ Lacs)

| Particulars                    | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|--------------------------------|-------------------------------------|-------------------------------------|
| North America                  | 1,06,474.86                         | 1,47,367.00                         |
| India and Asia Pacific         | 28,176.62                           | 26,917.87                           |
| Europe, Middle East and Africa | 32,455.11                           | 22,449.72                           |
| Rest of the world              | 3,413.55                            | 3,047.68                            |
| <b>Total</b>                   | <b>1,70,520.14</b>                  | <b>1,99,782.27</b>                  |

### Revenue generated from major customers

Revenue from three customers (31 March 2025 : two customers) individually contributing 10% or more of Company's revenue was 42.49% from customer one (subsidiary), 14.65% from customer two and 10.48% from customer three. (31 March 2025 : 51.48% from customer one (subsidiary) and 15.35% from customer two) of the total revenue respectively.

b) All non-current assets other than financial instruments, deferred tax assets and income tax assets of the Company are located in India.

## Note 31 : Income Taxes

### Amount recognised in statement of profit and loss

(₹ Lacs)

| Particulars                                                            | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Current tax:</b>                                                    |                                     |                                     |
| In respect of the current year                                         | 2,343.00                            | 2,789.00                            |
|                                                                        | <b>2,343.00</b>                     | <b>2,789.00</b>                     |
| <b>Deferred tax</b>                                                    |                                     |                                     |
| In respect of the current year                                         | 3,517.00                            | (8,947.36)                          |
|                                                                        | <b>3,517.00</b>                     | <b>(8,947.36)</b>                   |
| <b>Income tax expense reported in the statement of profit and loss</b> | <b>5,860.00</b>                     | <b>(6,158.36)</b>                   |

### Income tax recognised in other comprehensive income

#### Deferred tax :

(₹ Lacs)

| Particulars                                                                   | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|-------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Re-measurements of defined employee benefit plan                              | (53.79)                             | 113.43                              |
| Effective portion of gain / (loss) on hedging instruments in cash flow hedges | (988.25)                            | 4.45                                |
| <b>Income tax charged to other comprehensive income / (loss)</b>              | <b>(1,042.04)</b>                   | <b>117.88</b>                       |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Reconciliation of effective tax rate

(₹ Lacs)

| Particulars                                                                    | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|--------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Accounting profit before income tax                                            | 11,873.08                           | 8,510.23                            |
| Enacted income tax rate in India                                               | 34.944%                             | 34.944%                             |
| Tax using the Company's domestic tax rate                                      | 4,148.93                            | 2,973.81                            |
| Effects of tax concessions and MAT entitlement                                 | –                                   | (1,128.83)                          |
| Reversal of excess DTA on MAT credit recognised in prior year                  | 928.43                              | –                                   |
| Deferred tax due to change in tax rates (refer note 31.1)                      | 515.44                              | (8,240.00)                          |
| Effects of non - deductible expenses for tax purposes                          | 102.86                              | 236.66                              |
| Others                                                                         | 164.34                              | –                                   |
| <b>Total income tax expense recognised in the statement of profit and loss</b> | <b>5,860.00</b>                     | <b>(6,158.36)</b>                   |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 31 : Income taxes (continued)

#### Deferred tax

Deferred tax relates to the following:

| Particulars                                                                             | As at<br>01 April<br>2024 | Recognised in<br>profit and loss<br>during 2024-25 | Recognised<br>in OCI<br>during<br>2024-25 | MAT<br>utilisation | As at<br>01 April<br>2025 | Recognised<br>in profit and<br>loss during<br>2025-26 | Recognised<br>in OCI during<br>2025-26 | MAT<br>utilisation | As at<br>31 March<br>2026 |
|-----------------------------------------------------------------------------------------|---------------------------|----------------------------------------------------|-------------------------------------------|--------------------|---------------------------|-------------------------------------------------------|----------------------------------------|--------------------|---------------------------|
| <b>Deferred tax liabilities</b>                                                         |                           |                                                    |                                           |                    |                           |                                                       |                                        |                    |                           |
| Property, plant and equipment and intangible assets                                     | (32,380.34)               | 8,139.13                                           | -                                         | -                  | (24,241.21)               | 319.00                                                | -                                      | -                  | (23,922.21)               |
| Cash flow hedge                                                                         | (68.87)                   | -                                                  | (4.45)                                    | -                  | (73.32)                   | -                                                     | 73.32                                  | -                  | -                         |
| Other temporary differences                                                             | -                         | -                                                  | -                                         | -                  | -                         | (3,947.00)                                            | -                                      | -                  | (3,947.00)                |
| <b>Sub Total (A)</b>                                                                    | <b>(32,449.21)</b>        | <b>8,139.13</b>                                    | <b>(4.45)</b>                             | <b>-</b>           | <b>(24,314.53)</b>        | <b>(3,628.00)</b>                                     | <b>73.32</b>                           | <b>-</b>           | <b>(27,869.21)</b>        |
| <b>Deferred tax assets</b>                                                              |                           |                                                    |                                           |                    |                           |                                                       |                                        |                    |                           |
| Provision for gratuity and compensated absences                                         | 1,416.87                  | (198.01)                                           | (113.43)                                  | -                  | 1,105.43                  | (234.00)                                              | 53.79                                  | -                  | 925.22                    |
| Cash flow hedge                                                                         | -                         | -                                                  | -                                         | -                  | -                         | -                                                     | 914.94                                 | -                  | 914.94                    |
| Minimum alternate tax (MAT) credit                                                      | 15,897.13                 | -                                                  | -                                         | (974.68)           | 14,922.45                 | 1,413.00                                              | -                                      | -                  | 16,335.45                 |
| Other temporary differences (including delayed payments to MSME vendors and provisions) | 4,506.68                  | 1,006.24                                           | -                                         | -                  | 5,512.92                  | (1,068.00)                                            | -                                      | -                  | 4,444.92                  |
| <b>Sub Total (B)</b>                                                                    | <b>21,820.68</b>          | <b>808.23</b>                                      | <b>(113.43)</b>                           | <b>(974.68)</b>    | <b>21,540.80</b>          | <b>111.00</b>                                         | <b>968.73</b>                          | <b>-</b>           | <b>22,620.53</b>          |
| <b>Deferred tax assets / (liabilities) (A+B)</b>                                        | <b>(10,628.53)</b>        | <b>8,947.36</b>                                    | <b>(117.88)</b>                           | <b>(974.68)</b>    | <b>(2,773.73)</b>         | <b>(3,517.00)</b>                                     | <b>1,042.04</b>                        | <b>-</b>           | <b>(5,248.68)</b>         |

**Note 31.1 :** The Company continues to compute current tax in accordance with the provisions applicable to domestic companies under the Income-tax Act, 1961 and has not opted for the concessional tax regime under Section 115BAA as at the reporting date. Based on management's assessment of future profitability, utilisation of MAT credit and the amendments proposed under the Finance Act, 2026, the Company expects to transition to the concessional tax regime under Section 115BAA with effect from April 1, 2026. Accordingly, in line with Indi AS 12 – Income Taxes, deferred tax assets and liabilities have been measured using the tax rates expected to apply in the periods in which the related temporary differences reverse. Deferred tax balances pertaining to periods subsequent to the expected transition have been measured at the concessional rate of 25.17% (including surcharge and cess). The impact of this reassessment has been recognised in the Statement of Profit and Loss for the year.



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 32 : Earnings per equity share

(₹ Lacs)

| Particulars                                                                                                              | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Net profit for the year attributable to equity shareholders used in calculation of basic earnings per equity share (A)   | 6,013.08                            | 14,668.59                           |
| Add: Interest savings on convertible bonds, net of tax                                                                   | 324.78                              | 310.08                              |
| Net profit for the year attributable to equity shareholders used in calculation of diluted earnings per equity share (B) | 6,337.86                            | 14,978.67                           |

### Reconciliation of basic and diluted shares used in computing earning per share:

| Particulars                                                                                                                | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Number of equity shares outstanding at the beginning of the year                                                           | 12,57,42,289        | 9,84,57,160         |
| Add: Weighted average number of equity shares issued during the year                                                       | –                   | 1,14,37,328         |
| Weighted average number of equity shares outstanding during the year in calculation of basic earnings per equity share (C) | 12,57,42,289        | 10,98,94,488        |
| Add: Adjustments for calculation of diluted earnings per equity share:                                                     |                     |                     |
| Shares issuable under convertible bonds                                                                                    | 62,19,509           | 62,19,509           |
| Weighted average number of equity shares adjusted for the effect of dilution (D)                                           | 13,19,61,798        | 11,61,13,997        |

### Earnings per equity share

| Particulars              | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|--------------------------|-------------------------------------|-------------------------------------|
| Basic (in ₹) (A / C)     | 4.78                                | 13.35                               |
| Diluted (in ₹) ( B / D)* | 4.78                                | 12.90                               |

\*The effect of outstanding potential equity shares has not been considered in the calculation of diluted earnings per share, as their inclusion would be anti-dilutive. Therefore, basic earnings per share and diluted earnings per share are the same for the year ended 31 March 2026.



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 33 : Financial instruments

#### 33.1 : Categories of financial instruments:

##### Fair value of instruments measured at amortised cost

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(₹ Lacs)

| Particulars                                        | As at 31 March 2026 |                    | As at 31 March 2025 |                    |
|----------------------------------------------------|---------------------|--------------------|---------------------|--------------------|
|                                                    | Carrying value      | Fair value         | Carrying value      | Fair value         |
| <b>Financial assets at amortised cost</b>          |                     |                    |                     |                    |
| Cash and cash equivalents                          | 3,740.94            | 3,740.94           | 6,226.89            | 6,226.89           |
| Bank balances other than cash and cash equivalents | 3,065.92            | 3,065.92           | 4,407.11            | 4,407.11           |
| Trade receivables                                  | 2,07,115.50         | 2,07,115.50        | 1,80,646.21         | 1,80,646.21        |
| Loans                                              | 23.54               | 23.54              | 135.74              | 135.74             |
| Other financial assets (current and non-current)   | 23,221.91           | 23,221.91          | 25,519.54           | 25,519.54          |
| <b>Total</b>                                       | <b>2,37,167.81</b>  | <b>2,37,167.81</b> | <b>2,16,935.49</b>  | <b>2,16,935.49</b> |

|                                                       |                    |                    |                    |                    |
|-------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Financial liabilities at amortised cost</b>        |                    |                    |                    |                    |
| Borrowings (current and non-current)                  | 2,61,927.79        | 2,61,927.79        | 2,52,282.13        | 2,52,282.13        |
| Trade payables                                        | 84,681.82          | 84,681.82          | 83,561.78          | 83,561.78          |
| Other financial liabilities (current and non-current) | 5,194.89           | 5,194.89           | 5,722.16           | 5,722.16           |
| Lease liabilities (current and non-current)           | 1,624.84           | 1,624.84           | 1,960.98           | 1,960.98           |
| <b>Total</b>                                          | <b>3,53,429.34</b> | <b>3,53,429.34</b> | <b>3,43,527.05</b> | <b>3,43,527.05</b> |

The Company assessed that fair values of cash and cash equivalents, Bank balances other than cash and cash equivalents, trade receivables, other financial assets, lease liabilities, trade payables and other financial liabilities approximate their respective carrying amounts. The following methods and assumptions were used to estimate the fair values for other assets and liabilities:

i) The fair values of the Company fixed rate interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period for a variable rate interest-bearing debt securities, borrowings and subordinated liabilities, carrying value represents best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.

##### Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their levels in fair value hierarchy:

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value
- measured at amortised cost and for which fair values are disclosed in the standalone financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

(₹ Lacs)

| Particulars                                           | Carrying amount<br>31 March 2026         | Fair value     |                |                |
|-------------------------------------------------------|------------------------------------------|----------------|----------------|----------------|
|                                                       |                                          | Level 1        | Level 2        | Level 3        |
| <b>Financial assets:</b>                              |                                          |                |                |                |
| <b>Measured at amortised cost</b>                     |                                          |                |                |                |
| Cash and cash equivalents                             | 3,740.94                                 | –              | –              | –              |
| Bank balances other than cash and cash equivalents    | 3,065.92                                 | –              | –              | –              |
| Trade receivables                                     | 2,07,115.50                              | –              | –              | –              |
| Loans                                                 | 23.54                                    | –              | –              | –              |
| Other financial assets (current and non-current)      | 23,221.91                                | –              | –              | –              |
| <b>Measured at cost</b>                               |                                          |                |                |                |
| Investments (non-current)                             | 1,00,032.08                              | –              | –              | –              |
| <b>Measured at FVTPL</b>                              |                                          |                |                |                |
| Current investments                                   | 171.91                                   | –              | –              | 171.91         |
| <b>Financial liabilities:</b>                         |                                          |                |                |                |
| <b>Measured at amortised cost</b>                     |                                          |                |                |                |
| Borrowings (current and non-current)                  | 2,61,927.79                              | –              | –              | –              |
| Trade payables                                        | 84,681.82                                | –              | –              | –              |
| Other financial liabilities (current and non-current) | 5,194.89                                 | –              | –              | –              |
| Lease liabilities (current and non-current)           | 1,624.84                                 | –              | –              | –              |
| <b>Measured at FVTOCI</b>                             |                                          |                |                |                |
| Derivative liabilities                                | 3,728.99                                 | –              | 3,728.99       | –              |
| <b>Particulars</b>                                    | <b>Carrying amount<br/>31 March 2025</b> | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> |
| <b>Financial assets:</b>                              |                                          |                |                |                |
| <b>Measured at amortised cost</b>                     |                                          |                |                |                |
| Cash and cash equivalents                             | 6,226.89                                 | –              | –              | –              |
| Bank balances other than cash and cash equivalents    | 4,407.11                                 | –              | –              | –              |
| Trade receivables                                     | 1,80,646.21                              | –              | –              | –              |
| Loans                                                 | 135.74                                   | –              | –              | –              |
| Other financial assets (current and non-current)      | 25,519.54                                | –              | –              | –              |
| <b>Measured at cost</b>                               |                                          |                |                |                |
| Investments (non-current)                             | 1,00,029.89                              | –              | –              | –              |
| <b>Measured at FVTOCI</b>                             |                                          |                |                |                |
| Derivative assets                                     | 466.04                                   | –              | 466.04         | –              |
| <b>Measured at FVTPL</b>                              |                                          |                |                |                |
| Current investments                                   | 171.91                                   | –              | –              | 171.91         |
| <b>Financial liabilities:</b>                         |                                          |                |                |                |
| <b>Measured at amortised cost</b>                     |                                          |                |                |                |
| Borrowings (current and non-current)                  | 2,52,282.13                              | –              | –              | –              |
| Trade payables                                        | 83,561.78                                | –              | –              | –              |
| Other financial liabilities (current and non-current) | 5,722.16                                 | –              | –              | –              |
| Lease liabilities (current and non-current)           | 1,960.98                                 | –              | –              | –              |
| <b>Measured at FVTOCI</b>                             |                                          |                |                |                |
| Derivative liabilities                                | 256.58                                   | –              | 256.58         | –              |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Fair value hierarchy

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unquoted equity securities.

### Fair valuation method

The fair value of the financial assets and liabilities is 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. The following methods and assumptions were used to estimate the fair values:

#### Financial assets:

The Company has not disclosed the fair values for loans, trade receivables, cash and cash equivalents including other bank balances and other financial assets because management believes that their carrying amounts are a reasonable approximation of their fair value.

**Investments:** Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

**Derivative assets / liabilities:** Fair value is arrived from future cash flows based on forward exchange rates from observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

#### Financial liabilities:

**Borrowings:** It includes loans taken from banks and financial institution, cash credit and bill discounting facilities. Borrowings are classified and subsequently measured in the financial statements at amortized cost. Considering that the interest rate on loans is reset on a monthly/quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.

**Trade payables and other financial liabilities:** Fair values of trade payables and other financial liabilities are measured at carrying value, as most of them are settled within a short period and so their fair values are assumed almost equal to the carrying values.

### Note 33.2 : Financial risk management:

The Company's activities expose to financial risks: credit risk, liquidity risk and market risk.

#### Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. Risk Management Committee examines the priority of risks and mitigation actions.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal auditor. Internal Audit function includes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

#### i) Credit risk:

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. Bank deposits includes an amount of ₹ 4,011.84 Lacs (31 March 2025 : ₹ 9,390.20 Lacs) held with banks having high quality credit rating which is individually in excess of 10% or more of the Company's total bank deposits for the year ended 31 March 2026. None of the other financial instruments of the Company result in material concentration of credit risk.



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 2,37,164.02 Lacs and ₹ 2,17,395.96 Lacs as at 31 March 2026, and 31 March 2025, respectively, being the total of the carrying amount of balances with banks, bank deposits, current investments, trade receivables and other financial assets excluding cash in hand and equity investments.

### Geographic concentration of credit risk

Geographic concentration of trade receivables (gross and net of allowances) is as follows:

| Particulars                    | As at 31 March 2026 |       | As at 31 March 2025 |       |
|--------------------------------|---------------------|-------|---------------------|-------|
|                                | Gross %             | Net % | Gross %             | Net % |
| North America                  | 83%                 | 85%   | 82%                 | 84%   |
| India and Asia pacific         | 5%                  | 4%    | 6%                  | 5%    |
| Europe, Middle East and Africa | 11%                 | 10%   | 10%                 | 10%   |
| Rest of the world              | 1%                  | 1%    | 1%                  | 1%    |

Geographical concentration of trade receivables is allocated based on the location of the customers.

### ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company believes that the working capital and its cash and cash equivalents are sufficient to meet its short and medium term requirements.

Management monitors rolling forecast of the Company's liquidity position and cash and bank balances on the basis of expected cash flows. This is generally carried out by the Management of the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Company has also entered into supply chain finance arrangement to smoothen the payment process of the suppliers. Although the payment terms are not significantly extended beyond the normal credit terms agreed upon with other suppliers, the cashflows became more predictable.

### A) Financing arrangement

The Company maintains the following line of credit:

- Terms loans taken from banks aggregating to ₹ 50,006.92 Lacs (31 March 2025: ₹ 40,896.17 Lacs) repayable in various quarterly and yearly installments with interest rate ranging from 8.92 % to 14.04 % (31 March 2025: 9.94% to 12.52%) per annum. Term loans, non convertible debentures and foreign currency convertible bonds from financial institutions aggregating to ₹ 1,21,276.35 lacs (31 March 2025: ₹ 1,08,224.13 Lacs) with interest rate ranging from 4.50% – 14.77% (31 March 2025: 4.50% – 13.56%) per annum.
- Working capital loans from banks carry an effective interest rate of 9.29% (31 March 2025: 9.58%) per annum, computed on a monthly basis on the actual amount utilized, and are repayable as per terms of the facility. Refer note 17.2 for details of security.
- The Company has taken receivable bill discounting facility from banks which are payable within 180 days from date of bill discounted.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2026 and 31 March 2025. The amounts are gross and undiscounted contractual cash flow and includes contractual interest payment and exclude netting arrangements:

As at 31 March 2026

(₹ Lacs)

| Particulars                   | Undiscounted Contractual cash flows |             |             |             |                   |
|-------------------------------|-------------------------------------|-------------|-------------|-------------|-------------------|
|                               | Carrying amount                     | Total       | 0-1 year    | 1-5 years   | 5 years and above |
| <b>Financial liabilities:</b> |                                     |             |             |             |                   |
| Borrowings                    | 2,61,927.79                         | 3,00,888.25 | 1,46,462.62 | 1,38,227.02 | 16,198.61         |
| Trade payables                | 84,681.82                           | 84,681.82   | 84,681.82   | –           | –                 |
| Lease liabilities             | 1,624.84                            | 2,002.71    | 547.14      | 1,455.57    | –                 |
| Other financial liabilities   | 8,923.88                            | 8,923.88    | 8,923.88    | –           | –                 |

As at 31 March 2025

(₹ Lacs)

| Particulars                   | Undiscounted Contractual cash flows |             |             |             |                   |
|-------------------------------|-------------------------------------|-------------|-------------|-------------|-------------------|
|                               | Carrying amount                     | Total       | 0-1 year    | 1-5 years   | 5 years and above |
| <b>Financial liabilities:</b> |                                     |             |             |             |                   |
| Borrowings                    | 2,52,282.13                         | 3,05,897.79 | 1,31,656.34 | 1,50,108.53 | 24,132.92         |
| Trade payables                | 83,561.78                           | 83,561.78   | 83,561.78   | –           | –                 |
| Lease liabilities             | 1,960.98                            | 2,549.85    | 547.14      | 2,002.71    | –                 |
| Other financial liabilities   | 5,978.74                            | 5,978.74    | 5,978.74    | –           | –                 |

As disclosed in note 14.1, the Company has secured loan from banks and financial institutions that contains loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table. Except for these financial liabilities, it is not expected that cash flows included in maturity analysis could occur significantly earlier. The above does not include corporate guarantee provided to step down subsidiary. refer note 34.3 for details.

### iii) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### a) Foreign currency risk:

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currency of the Company. The functional currency of the Company is ₹. The currencies in which these transactions are primarily denominated are USD, GBP, EURO etc.

Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Company decides to hedge its foreign currency. A majority portion of the Company's revenues are in foreign currencies, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee appreciates relative to foreign currencies, the Company's revenues measured in Indian rupees may decrease. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Company uses derivative and non-derivative financial instruments, such as foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

The following table gives details in respect of outstanding foreign exchange forward contracts in relation to Sell Contracts:

| Currency     | As at 31 March 2026           |                  |                   | As at 31 March 2025           |                  |               |
|--------------|-------------------------------|------------------|-------------------|-------------------------------|------------------|---------------|
|              | in Foreign currency in (Lacs) | ₹ Lacs           | MTM (₹ Lacs)      | in Foreign currency in (Lacs) | ₹ Lacs           | MTM (₹ Lacs)  |
| In USD       | 618.89                        | 55,741.60        | (3,728.99)        | 878.04                        | 76,191.81        | 209.47        |
| <b>Total</b> |                               | <b>55,741.60</b> | <b>(3,728.99)</b> |                               | <b>76,191.81</b> | <b>209.47</b> |

The foreign exchange forward contracts mature within 12 months. The table below analyzes the derivative financial instruments sell contracts into relevant maturity groupings based on the remaining period as on the balance sheet date:

(₹ Lacs)

| Particulars       | As at 31 March 2026 | As at 31 March 2025 |
|-------------------|---------------------|---------------------|
| Less than 30 days | 7,678.41            | 6,211.41            |
| 31 to 90 days     | 6,936.26            | 5,423.30            |
| 91 to 180 days    | 16,942.51           | 20,068.28           |
| 181 to 365 days   | 24,184.42           | 44,488.82           |
| <b>Total</b>      | <b>55,741.60</b>    | <b>76,191.81</b>    |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk (unhedged foreign currency exposure) as reported to management is as follows:

(₹ Lacs)

| Particulars                 | Currency | 31 March 2026                      |                  | 31 March 2025                      |                  |
|-----------------------------|----------|------------------------------------|------------------|------------------------------------|------------------|
|                             |          | Amount in foreign currency in Lacs | Amount in ₹ Lacs | Amount in foreign currency in Lacs | Amount in ₹ Lacs |
| Trade receivables           | USD      | 2,112.39                           | 1,99,946.77      | 2,030.49                           | 1,73,772.41      |
|                             | EUR      | 32.42                              | 3,533.44         | 44.83                              | 4,139.33         |
|                             | GBP      | 7.13                               | 896.07           | 5.24                               | 579.82           |
|                             | AED      | –                                  | –                | 0.02                               | 0.35             |
| Other non current assets    | EUR      | –                                  | –                | 0.02                               | 2.19             |
|                             | JPY      | –                                  | –                | 19.74                              | 11.25            |
| Other current assets        | USD      | 4.25                               | 402.12           | 1.59                               | 135.78           |
|                             | EUR      | 0.42                               | 45.35            | 0.38                               | 34.85            |
|                             | GBP      | 0.10                               | 12.05            | 0.01                               | 0.25             |
|                             | CHF      | 0.04                               | 4.40             | 0.10                               | 9.67             |
| Borrowings                  | USD      | 152.74                             | 14,457.56        | 125.70                             | 10,757.92        |
| Trade payables              | USD      | 8.39                               | 794.34           | 27.19                              | 2,327.17         |
|                             | EUR      | 0.76                               | 82.88            | 1.01                               | 93.17            |
|                             | GBP      | 0.32                               | 39.86            | 0.22                               | 24.16            |
|                             | CHF      | 0.01                               | 1.66             | 0.09                               | 8.35             |
|                             | AED      | 0.02                               | 0.39             | –                                  | –                |
|                             | JPY      | 0.42                               | 0.24             | 2.46                               | 1.40             |
| Other current liabilities   | USD      | 2.54                               | 240.24           | 0.64                               | 54.91            |
|                             | EUR      | –                                  | –                | 0.05                               | 4.85             |
|                             | GBP      | 0.04                               | 4.81             | 0.03                               | 3.37             |
| Other financial liabilities | USD      | 2.46                               | 233.00           | 2.41                               | 206.03           |
|                             | EUR      | –                                  | –                | 4.61                               | 425.34           |

The following exchange rates have been applied

| Currency | Year end spot rate |               |
|----------|--------------------|---------------|
|          | 31 March 2026      | 31 March 2025 |
| USD/INR  | 94.65              | 85.58         |
| EUR/INR  | 109.01             | 92.32         |
| GBP/INR  | 125.63             | 110.74        |
| AED/INR  | 25.70              | 23.26         |
| CHF/INR  | 116.98             | 96.65         |
| JPY/INR  | 0.59               | 0.57          |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, EURO, GBP, etc. against ₹ at 31 March 2026 and 31 March 2025 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

(₹ Lacs)

| Particulars          | Profit / (loss) before tax |            | Equity, net of tax |            |
|----------------------|----------------------------|------------|--------------------|------------|
|                      | Strengthening              | Weakening  | Strengthening      | Weakening  |
| <b>31 March 2026</b> |                            |            |                    |            |
| USD (1% movement)    | 1,846.24                   | (1,846.24) | 1,209.39           | (1,209.39) |
| EURO (1% movement)   | 34.96                      | (34.96)    | 22.90              | (22.90)    |
| GBP (1% movement)    | 8.39                       | (8.39)     | 5.50               | (5.50)     |
| AED (1% movement)    | (0.00)                     | 0.00       | (0.00)             | 0.00       |
| CHF (1% movement)    | 0.03                       | (0.03)     | 0.02               | (0.02)     |
| JPY (1% movement)    | (0.00)                     | 0.00       | (0.00)             | 0.00       |
| <b>31 March 2025</b> |                            |            |                    |            |
| USD (1% movement)    | 1,605.62                   | (1,605.62) | 1,051.77           | (1,051.77) |
| EURO (1% movement)   | 36.53                      | (36.53)    | 23.93              | (23.93)    |
| GBP (1% movement)    | 5.51                       | (5.51)     | 3.61               | (3.61)     |
| AED (1% movement)    | 0.00                       | (0.00)     | 0.00               | (0.00)     |
| CHF (1% movement)    | 0.01                       | (0.01)     | 0.01               | (0.01)     |
| JPY (1% movement)    | 0.10                       | (0.10)     | 0.06               | (0.06)     |

### Interest rate risk

Interest rate risk primarily arises from floating rate borrowings, including various revolving and other lines of credit. The Company's investments are primarily in short-term investments, which do not expose it to significant interest rate risk. The Company's borrowings comprises of term loans, working capital loans and bill discounting which carries variable rate of interest, which expose it to interest rate risk.

#### a) Interest rate risk exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

(₹ Lacs)

| Particulars                          | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------------------|---------------------|---------------------|
| Borrowings (current and non-current) | 2,61,927.79         | 2,52,282.13         |
| <b>Total</b>                         | <b>2,61,927.79</b>  | <b>2,52,282.13</b>  |

#### b) Sensitivity

| Particulars                          | Profit or loss (before tax) |                          | Equity, net of tax       |                          |
|--------------------------------------|-----------------------------|--------------------------|--------------------------|--------------------------|
|                                      | 25 basis points Increase    | 25 basis points Decrease | 25 basis points Increase | 25 basis points Decrease |
| <b>31 March 2026</b>                 |                             |                          |                          |                          |
| Borrowings (current and non-current) | (642.76)                    | 642.76                   | (418.16)                 | 418.16                   |
| <b>31 March 2025</b>                 |                             |                          |                          |                          |
| Borrowings (current and non-current) | (659.14)                    | 659.14                   | (428.81)                 | 428.81                   |

### Note 33.3 : Capital management

The Company's policy is to maintain a stable and strong capital base structure with a focus on total equity so as to uphold investor, creditor and market confidence and to sustain future development and growth of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For the purpose of Company's capital management, adjusted net debt is defined as aggregate on non-current borrowings, current borrowings, current maturities of long-term borrowings and lease liabilities less cash and cash equivalents, deposits and current investments and total equity includes issued capital and all other equity reserves.

The Company's adjusted net debt to equity ratio were as follows:

(₹ Lacs)

| Particulars                                                                                       | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Borrowings including lease liabilities (current and non-current) and interest accrued but not due | 2,65,598.00         | 2,56,330.10         |
| Less: Cash and cash equivalents including deposits                                                | (6,750.65)          | (10,602.73)         |
| <b>Adjusted net debt</b>                                                                          | <b>2,58,847.35</b>  | <b>2,45,727.37</b>  |
| Total equity                                                                                      | 2,33,522.89         | 2,30,874.77         |
| <b>Net debt to equity ratio</b>                                                                   | <b>1.11</b>         | <b>1.06</b>         |

### Note 34 : Related party disclosures

#### Note 34.1: Name of related parties and description of relationship

| Description of relationship                                                                                                             | Names of the related parties                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Subsidiaries                                                                                                                            | Himatsingka Wovens Private Limited<br>Himatsingka Holdings NA Inc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Step down subsidiary                                                                                                                    | Himatsingka America Inc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Associate                                                                                                                               | AMPIN Energy C&I Twenty Four Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Key management personnel                                                                                                                | Dinesh Kumar Himatsingka – Executive Chairman<br>Shrikant Himatsingka – Executive Vice Chairman & Managing Director<br>S Shanmugasundaram – Executive Director (Ceased to be director w.e.f. December 14, 2024)<br>Sankaranarayanan. M – Chief Financial Officer<br>Bindu D – Company Secretary & Compliance Officer<br><b>Non-executive directors</b><br>Harminder Sahni – Independent Director<br>Sandhya Vasudevan – Independent Director<br>Shyam Powar – Independent Director (Resigned w.e.f. January 24, 2025)<br>Ravi Kumar – Independent Director<br>Manish K. Joshi – Nominee Director |
| Transaction with entities over which key management personnel or relatives of such personnel are able to exercise significant influence | Jacaranda Design LLC<br>Bihar Mercantile Union Private Limited<br>Orient Silk Private Limited<br>Aditya Resources Limited<br>Priya Resources Private Limited<br>Awdhan Trading Co Ltd<br>Wazir Advisors Private Limited<br>Himatsingka Foundation<br>Enchanting Weaves LLP<br>Samskaraa Design Lab Private Limited                                                                                                                                                                                                                                                                               |
| Transaction with relatives of key management personnel                                                                                  | Mrs. Rajshree Himatsingka (Wife of Dinesh Kumar Himatsingka)<br>Ms. Priyadarshini Himatsingka (Daughter of Dinesh Kumar Himatsingka)<br>Mrs. Akanksha Himatsingka (Wife of Shrikant Himatsingka)                                                                                                                                                                                                                                                                                                                                                                                                 |
| Transaction with relatives of promoters                                                                                                 | Jayshree Poddar                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 34.2 : Related party transactions during the year

(₹ Lacs)

| Particulars                                 |                                               | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|---------------------------------------------|-----------------------------------------------|-------------------------------------|-------------------------------------|
| Sale of products to                         | Himatsingka America Inc.                      | 72,450.48                           | 1,02,850.16                         |
| Sale of products (Reimbursement of freight) | Himatsingka America Inc.                      | 572.16                              | –                                   |
| Sale of products to                         | Samskaraa Design Lab Private Limited          | 60.21                               | –                                   |
| Sale of products to                         | Enchanting Weaves LLP                         | 0.21                                | –                                   |
| Purchase of goods from                      | Himatsingka America Inc.                      | –                                   | 5,625.58                            |
| Purchase of power from                      | AMPIN Energy C&I Twenty Four Private Limited  | 1,305.03                            | –                                   |
| Rental expenses incurred                    | Himatsingka Wovens Private Limited            | 78.75                               | 78.75                               |
| Reimbursement of expenses                   | Himatsingka America Inc.                      | –                                   | 65.90                               |
| Marketing commission incurred               | Himatsingka America Inc.                      | –                                   | 56.12                               |
| Professional fees incurred                  | Jacaranda Design LLC                          | –                                   | 83.62                               |
|                                             | Wazir Advisors Private Limited                | 7.51                                | 12.75                               |
|                                             | Jayshree Poddar                               | 26.25                               | –                                   |
| Investment in equity shares                 | Himatsingka Holdings NA Inc.*                 | –                                   | 1,676.06                            |
|                                             | AMPIN Energy C&I Twenty Four Private Limited* | –                                   | 572.75                              |
| Dividend received from                      | Himatsingka Wovens Private Limited            | 43.75                               | 231.00                              |
| Contribution in relation to CSR Expenditure | Himatsingka Foundation                        | –                                   | 89.65                               |

\*refer note 35

### Note 34.3 : Balance receivable from and payable to related parties as at the balance sheet date:

(₹ Lacs)

| Particulars                            |                                              | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|----------------------------------------|----------------------------------------------|-------------------------------------|-------------------------------------|
| Trade receivables                      | Himatsingka America Inc.                     | 1,50,479.84                         | 1,25,069.71                         |
| Other payables                         | Jacaranda Design LLC                         | 447.31                              | 447.31                              |
|                                        | Wazir Advisors Private Limited               | 18.41                               | 19.60                               |
|                                        | Jayshree Poddar                              | 3.75                                | –                                   |
| Trade payables                         | Himatsingka Wovens Private Limited           | 260.25                              | 505.58                              |
|                                        | AMPIN Energy C&I Twenty Four Private Limited | 116.64                              | –                                   |
| Investments in subsidiaries            | Himatsingka Wovens Private Limited           | 1,683.98                            | 1,683.98                            |
|                                        | Himatsingka Holdings NA Inc.                 | 97,375.35                           | 97,373.16                           |
| Investments in associates              | AMPIN Energy C&I Twenty Four Private Limited | 572.75                              | 572.75                              |
| Corporate guarantee given on behalf of | Himatsingka America Inc.                     | –                                   | 1,629.22                            |
| Corporate guarantee taken from         | Himatsingka Wovens Private Limited           | 2,064.87                            | 2,064.87                            |

Refer note 14.1 for details of properties owned by a subsidiary and investment in subsidiaries pledged as securities for borrowings availed by the Company.



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 34.4 : Compensation and dividend payment to key managerial personnel

(₹ Lacs)

| Particulars               | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|---------------------------|-------------------------------------|-------------------------------------|
| Salaries and compensation | 1,002.81                            | 971.48                              |
| Commission*               | 530.00                              | –                                   |
| Dividend paid             | 51.12                               | 51.12                               |
| Sitting fees              | 29.50                               | 22.50                               |
| <b>Total</b>              | <b>1,613.43</b>                     | <b>1,045.10</b>                     |

\*The Board of Directors approved commission of ₹260 lacs for FY 2025-26. Additionally, the commission pertaining to FY 2024-25 amounting to ₹270 Lacs, as approved by the Board, has been recognized.

### Note 34.5 : Compensation and dividend payment to other related parties

#### i) Relatives of key management personnel

(₹ Lacs)

| Particulars               | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|---------------------------|-------------------------------------|-------------------------------------|
| Salaries and compensation | 150.40                              | 150.40                              |
| Dividend paid             | 15.35                               | 15.34                               |
| <b>Total</b>              | <b>165.75</b>                       | <b>165.74</b>                       |

#### ii) Entities over which key management personnel are able to exercise significant influence

(₹ Lacs)

| Particulars                            | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|----------------------------------------|-------------------------------------|-------------------------------------|
| <b>Dividend paid</b>                   |                                     |                                     |
| Bihar Mercantile Union Private Limited | 15.67                               | 15.67                               |
| Orient Silk Private Limited            | 8.59                                | 8.59                                |
| Aditya Resources Limited               | 8.24                                | 8.24                                |
| Priya Resources Private Limited        | 7.80                                | 7.80                                |
| Awdhan Trading Co Ltd                  | 10.32                               | 10.32                               |
| <b>Total</b>                           | <b>50.62</b>                        | <b>50.62</b>                        |

Managerial remuneration does not include cost of employee benefits such as gratuity since provision for these are based on an actuarial valuation carried out for the Company as a whole.

#### Terms and conditions

All transactions with these related parties are made on normal commercial terms.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

**Note 35 : Details of non-current investments purchased and sold during the year under Section 186(4) of the Act:**

### Investments in equity instruments

(₹ Lacs)

| a) Subsidiaries                                | Face value per unit | As at 1 April 2025 | Purchased during the year# | Sold during the year | Adjustment on account of corporate guarantee/liquidation | As at 31 March 2026 |
|------------------------------------------------|---------------------|--------------------|----------------------------|----------------------|----------------------------------------------------------|---------------------|
| Himatsingka Wovens Private Limited             | INR 100             | 1,683.98           | –                          | –                    | –                                                        | 1,683.98            |
|                                                |                     | (17,50,000)*       |                            |                      |                                                          | (17,50,000)*        |
| Himatsingka Holdings NA Inc. (refer note 4A.1) | USD 10,000          | 97,373.16          | –                          | –                    | 2.19                                                     | 97,375.35           |
|                                                |                     | (13,036)*          |                            |                      |                                                          | (13,036)*           |

(₹ Lacs)

| b) Associates                                            | Face value per unit | As at 1 April 2025 | Purchased during the year# | Sold during the year | Adjustment on account of corporate guarantee/liquidation | As at 31 March 2026 |
|----------------------------------------------------------|---------------------|--------------------|----------------------------|----------------------|----------------------------------------------------------|---------------------|
| AMPIN Energy C&I Twenty Four Private Limited (Associate) | INR 10              | 572.75             | –                          | –                    | –                                                        | 572.75              |
|                                                          |                     | (57,27,500)*       | –                          | –                    | –                                                        | (57,27,500)*        |

(₹ Lacs)

| a) Subsidiaries                                | Face value per unit | As at 1 April 2024 | Purchased during the year# | Sold during the year | Adjustment on account of corporate guarantee/liquidation | As at 31 March 2025 |
|------------------------------------------------|---------------------|--------------------|----------------------------|----------------------|----------------------------------------------------------|---------------------|
| Himatsingka Wovens Private Limited             | INR 100             | 1,683.98           | –                          | –                    | –                                                        | 1,683.98            |
|                                                |                     | (17,50,000)*       |                            |                      |                                                          | (17,50,000)*        |
| Himatsingka Holdings NA Inc. (refer note 4A.1) | USD 10,000          | 95,677.75          | 1,676.05                   | –                    | 19.36                                                    | 97,373.16           |
|                                                |                     | (12,921)*          | (115)*                     |                      |                                                          | (13,036)*           |
| Twill & Oxford LLC (refer note 38)             | AED 100             | 37.35              | –                          | –                    | 37.35                                                    | –                   |
|                                                |                     | (1,470)*           | –                          | –                    | (1,470)*                                                 | –                   |

(₹ Lacs)

| b) Associates                                            | Face value per unit | As at 1 April 2024 | Purchased during the year# | Sold during the year | Adjustment on account of corporate guarantee/liquidation | As at 31 March 2025 |
|----------------------------------------------------------|---------------------|--------------------|----------------------------|----------------------|----------------------------------------------------------|---------------------|
| AMPIN Energy C&I Twenty Four Private Limited (Associate) | INR 10              | –                  | 572.75                     | –                    | –                                                        | 572.75              |
|                                                          |                     |                    | (57,27,500)*               |                      |                                                          | (57,27,500)*        |

\*The amounts in parenthesis represents number of shares\*

# Refer note 4 and 34

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 36.1: Details of loans given during the year under Section 186(4) of the Act

There are no loans given during the year ended 31 March 2026 (31 March 2025 is Nil)

### Note 36.2: Details of guarantees given during the year under Section 186(4) of the Act

(₹ Lacs)

| Guarantee given on behalf of            | Nature of relationship | As at 1 April 2025 | Given during the year | Closed /Loan repaid during the year | Forex restatement | As at 31 March 2026 |
|-----------------------------------------|------------------------|--------------------|-----------------------|-------------------------------------|-------------------|---------------------|
| Himatsingka America Inc. (refer note i) | Subsidiary             | 1,629.22           | –                     | 1,629.22                            | –                 | –                   |

(₹ Lacs)

| Guarantee given on behalf of | Nature of relationship | As at 1 April 2024 | Given during the year | Closed /Loan repaid during the year | Forex restatement | As at 31 March 2025 |
|------------------------------|------------------------|--------------------|-----------------------|-------------------------------------|-------------------|---------------------|
| Himatsingka America Inc.     | Subsidiary             | 4,748.44           | –                     | 3,119.22                            | –                 | 1,629.22            |

**Note i):** During the year, Corporate Guarantee given to bank for securing the borrowings given to Himatsingka America Inc was closed.

**Note 36.3 :** The Company has given security to bankers for the loan taken by Himatsingka America Inc (subsidiary) having an outstanding loan balance of Nil as at 31 March 2026 (31 March 2025: ₹ 1,629.22 Lacs) The nature of security is as follows:

First paripassu charge on the moveable and immoveable properties located at Hassan and Doddaballapur plant including proposed project assets present and future.

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 37: Additional regulatory information

#### Analytical Ratios

| Ratio                                       | Numerator                                                                                                 | Denominator                                                                              | As at March 2026 | As at March 2025 | % Variance | Reason for Variance if more than 2.5%                                                                                                                                                                                                          |
|---------------------------------------------|-----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------|------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Current ratio (in times)                    | Total current assets                                                                                      | Total current liabilities                                                                | 1.36             | 1.34             | 1%         | Not applicable.                                                                                                                                                                                                                                |
| Debt-equity ratio (in times)                | Total Debt = Total non current and current borrowings (including accrued interest) + lease liabilities    | Total equity                                                                             | 1.14             | 1.11             | 2%         | Not applicable.                                                                                                                                                                                                                                |
| Debt service coverage ratio (in times)      | Earning for debt Service = Net profit after taxes + Depreciation and amortisation expense + Finance costs | Debt service (Interest and lease payments + Principal repayment of long term borrowings) | 0.89             | 0.72             | 23%        | Not applicable.                                                                                                                                                                                                                                |
| Return on equity ratio (%)                  | Net profit after tax                                                                                      | Average total equity                                                                     | 2.6%             | 7.2%             | -64%       | The decrease in Return on Equity is primarily attributable to lower profitability during the year compared to previous year.                                                                                                                   |
| Inventory turnover ratio (in times)         | Cost of goods sold                                                                                        | Average inventory                                                                        | 1.64             | 2.54             | -36%       | The decline in inventory turnover is attributable to lower sales resulting from the prevailing macroeconomic situation in the Middle East, compounded by tariff-related uncertainty, which led to slower inventory movement during the period. |
| Trade receivables turnover ratio (in times) | Revenue from sale of goods                                                                                | Average trade receivables                                                                | 0.88             | 1.18             | -26%       | Increase in average trade receivables is largely due to depreciation of INR against USD.                                                                                                                                                       |
| Trade payables turnover ratio (in times)    | Purchase + Other expenses                                                                                 | Average trade payables                                                                   | 1.77             | 1.97             | -10%       | Not applicable.                                                                                                                                                                                                                                |
| Net capital turnover ratio (in times)       | Total revenue from operations                                                                             | Working capital (i.e. Total current assets less Total current liabilities)               | 2.24             | 3.05             | -26%       | The turnover of the company got affected on account of macro economic situation prevailing in middle east coupled with tariff overhang.                                                                                                        |
| Net profit ratio (in %)                     | Net profit after tax                                                                                      | Total revenue from operations                                                            | 3%               | 7%               | -52%       | Decrease in profit after tax is primarily on account of deferred tax credit recorded in the previous year and lower turnover.                                                                                                                  |
| Return on capital employed (in %)           | Earnings before interest and taxes                                                                        | Capital employed (Total equity + Total Borrowings+Deferred tax liabilities)              | 7.57%            | 7.21%            | 5%         | Not applicable.                                                                                                                                                                                                                                |

## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 38 : Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the end of the stipulated timeline, as required by law. The Management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expenses and that of provision for taxation.

### Note 39 : Other statutory Information

- i) No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.
- ii) The Company do not have any transactions with companies struck off under section 248 of Companies Act 2013.
- iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the current or previous year.
- v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a) 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
  - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a) 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
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii) The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- viii) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- ix)
  - a) In regard to accounting software (SAP)  
The Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, we did not come across any instance of audit trail feature being tampered with at application level. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention for application level.  
  
However, with respect to the database level of the said software which has been managed and maintained by a third-party service provider, in the absence of sufficient and appropriate audit evidence adequate coverage in SOC report we are unable to assess whether the database of the software to log any direct changes has a feature of recording audit trail (edit log) facility and whether the same has been enabled and operated throughout the year for all relevant transaction recorded or whether there is any instance of audit trail feature being tampered with. Also, we are unable to assess whether the audit trail feature of prior years have been preserved by the Company as per the statutory requirements for record retention at database level.
  - b) In regard to accounting software (Saraal and Zing HR)  
The Company has used certain accounting softwares for maintaining its books of account (managed and maintained by a third-party software service provider) which have a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the softwares. Further, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention.



## Notes to the Standalone Financial Statements for the year ended 31 March 2026

### Note 40 : Events after the reporting period

- i) On 27 May 2026, the Board of Directors of the Company approved the issuance of non-convertible debentures (NCD) upto INR 600 Crores with green shoe option of upto INR 250 Crores on private placement basis at coupon/interest of 11.50 % p.a. payable quarterly.
- ii) On 27 May 2026, the Board of Directors recommended a final dividend of ₹ 0.25 per equity share to be paid to the shareholders for financial year 2025-26, which needs to be approved by shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 314.36 Lacs.

As per our report of even date attached

For **M S K A & Associates LLP**  
(Formerly known as M S K A & Associates)  
Chartered Accountants  
Firm's Registration Number: 105047W/W101187

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**Vikram Dhanania**  
Partner  
Membership Number : 060568

**D.K. Himatsingka**  
Executive Chairman  
DIN: 00139516

**Shrikant Himatsingka**  
Executive Vice Chairman & Managing Director  
DIN: 00122103

**Sankaranarayanan. M**  
Chief Financial Officer

**Bindu D**  
Company Secretary  
Membership Number: A23290

**Place: Bengaluru**  
**Date : 27 May 2026**

**Place: Bengaluru**  
**Date: 27 May 2026**

**Place: Bengaluru**  
**Date : 27 May 2026**

# Independent Auditors' Report

To the Members of Himatsingka Seide Limited

## Report on the Audit of the Consolidated Financial Statements

### OPINION

We have audited the accompanying consolidated financial statements of Himatsingka Seide Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries) together referred to as "the Group") and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associate as at March 31, 2026, its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India, and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

### KEY AUDIT MATTERS

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

**Independent Auditors' Report to the Members of Himatsingka Seide Limited on the Audit of the Consolidated Financial Statements for the year ended 31 March 2026 (continued)**

| Sl. No. | Key Audit Matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | How the Key Audit Matters was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | <p><b>Impairment of goodwill</b></p> <p>(Refer Notes 2.11 and 2.12 to the material accounting policies and the disclosures related to goodwill in Note 4 to the consolidated financial statements)</p> <p>The Group has goodwill on account of Himatsingka America Inc (step-down subsidiary) of ₹ 50,453.10 Lacs as on March 31, 2026.</p> <p>Goodwill represents 8.55% of the Group's total assets and 23.57% of the Group's total equity.</p> <p>The Group performs impairment testing for goodwill annually in accordance with the requirements of Ind AS-36 "Impairment of Assets", to test whether the recoverable value is below carrying amount as on March 31, 2026.</p> <p>In performing such impairment assessments, the Group compared the carrying value of the identifiable cash generating units ("CGUs") to which goodwill had been allocated to their 'value in use'. The computation is based on discounted forecast cash flow method, to determine any impairment loss.</p> <p>In determining the recoverable value of CGU, the Group has applied judgment in estimating future revenues, profit margins, long-term growth rate and discount rates, which involves inherent uncertainty since they are based on future business prospects and economic outlook. Changes in certain estimates and assumptions can lead to significant changes in the recoverable value and the assessment of impairment.</p> <p>Due to the materiality of the amount in the context of the consolidated financial statements and significant management judgement required for estimation of recoverable value of CGU, this is considered as a key audit matter.</p> | <p>Our audit procedures in respect of this area included:</p> <ol style="list-style-type: none"> <li>1. Assessed the appropriateness of the Company's/Group's accounting policies relating to the impairment of goodwill with Indian Accounting Standard 36 - Impairment of Assets ('Ind AS 36').</li> <li>2. Obtained an understanding of the process followed by the management of Holding Company in respect of performing annual impairment analysis and tested the design, implementation and operating effectiveness of the internal controls related to the process of assessment of the annual impairment, including controls over determination of recoverable amounts of CGUs determined by the Holding Company.</li> <li>3. Evaluated the Group's identification of CGUs, the carrying value of CGU and the valuation methodology followed by the Group for impairment assessment in compliance with the prevailing Indian Accounting Standards.</li> <li>4. Evaluated the reasonableness of the key assumptions used in computing recoverable amount of CGUs, such as, growth rates, profitability, discount rates, etc., with reference to our understanding of the business and historical trends.</li> <li>5. Tested key assumptions used by the Group external experts in computing fair value of the CGUs' future revenues, profit margins, long-term growth rate and discount rates. Also, evaluated the competence and objectivity of the external valuation specialist engaged by the management.</li> <li>6. Involved internal experts for reviewing the reasonableness of the model and the valuation derived from the model.</li> <li>7. Tested completeness and accuracy of the data input into the model for developing the estimates.</li> <li>8. Performed a sensitivity analysis to evaluate the impact of changes in key assumptions individually or collectively to the recoverable value.</li> <li>9. Assessed and validated the adequacy and appropriateness of the disclosures made by the management as per requirement of Ind AS 36 - 'Impairment of Assets' in the consolidated financial statements.</li> </ol> |

**Independent Auditors' Report to the Members of Himatsingka Seide Limited on the Audit of the Consolidated Financial Statements for the year ended 31 March 2026 (continued)**

| Sl. No. | Key Audit Matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | How the Key Audit Matters was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| 2.      | <p><b>Recognition of government grants and assessment of its recoverability</b></p> <p>(Refer Note 2.7 to material accounting policies and the disclosures related to government grants in Notes 7 and 9 to the accompanying consolidated financial statements.)</p> <p>The Holding Company is eligible for government grants under various schemes enacted by the State and the Central Government.</p> <p>Each of these schemes requires fulfilment of certain conditions by the Holding Company to be eligible to receive the grant.</p> <p>Recognition of grants (including its classification as capital or revenue grant) requires a suitable assurance by the Holding Company towards compliance with the conditions specified in the relevant schemes and that the grants will be received. The assessment of fulfilment of relevant conditions specified in the grant at the time of recognition involves judgement and assumptions which are subject to uncertainty. The Holding Company reassesses the recoverability of these grants at each balance sheet date.</p> <p>We have identified recognition of grant and assessment of its recoverability as a key audit matter because of the complexities in establishing the compliance with the eligibility conditions of the grant and judgement involved towards assessment of its recoverability and related provisions made considering the delayed recoveries in accordance with Ind AS 109 'Financial Instruments'.</p> | <p>Our audit procedures in respect of this area included:</p> <ol style="list-style-type: none"> <li>1. Evaluated the government grant accounting policies adopted by the management of the Holding Company, for compliance are with Ind AS 20 - Accounting for Government Grants and Disclosure of Government Assistance</li> <li>2. Tested the design and operating effectiveness of internal controls with respect to recognition of grants (including its classification as capital or revenue grant) and assessment of its recoverability.</li> <li>3. Performed substantive testing, on a sample basis, towards recognition of grants in accordance with the respective schemes, its classification as revenue or capital grant and verified the same with supporting documents.</li> <li>4. Evaluated the Holding Company's assessment of recoverability of respective grants based on ageing analysis and obtained explanations from management to assess the adequacy of the level of provision, if any, required for amounts considered recoverable.</li> <li>5. Tested the ageing analysis for matter that are not under litigation, and assessed the information used by the management to determine the recoverability of these grants by considering collections against historical trends.</li> <li>6. Tested the arithmetical accuracy of the calculation of accrual of export benefits and prevailing discount on e-Scrips in compliance with the relevant conditions as specified in the notifications and policies, as applicable.</li> <li>7. Evaluated management's assessment of determination of provision for time value of money determined on the basis of expected credit loss methodology, evaluated the reasonableness of expected credit loss amount and assessed whether the requirements of applicable accounting principles have been complied.</li> <li>8. Assessed and validated the adequacy and appropriateness of the disclosures made by the management as per requirement of Ind AS 20 - 'Accounting for Government Grants and Disclosure of Government Assistance' in the consolidated financial statements.</li> </ol> |

**INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Company's Board of Directors are responsible for the other information. The other information comprises the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## **Independent Auditors' Report to the Members of Himatsingka Seide Limited on the Audit of the Consolidated Financial Statements for the year ended 31 March 2026 (continued)**

### **RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of each company.

### **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.

We give in "Annexure A", a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

### **OTHER MATTERS:**

- a) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 149,842.83 lacs as at March 31, 2026, total revenues of ₹ Nil lacs and net cash flows amounting to ₹ Nil lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.
- b) The consolidated financial statements also include the Group's share of net loss (including total other comprehensive income) of ₹ 27.33 lacs for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of one associate, whose financial statements/ financial information have not been audited by us. These financial statements/financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

- 1) As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and the other financial information financial information of the subsidiary referred to in the Other Matters section above, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;



**Independent Auditors' Report to the Members of Himatsingka Seide Limited on the Audit of the Consolidated Financial Statements for the year ended 31 March 2026 (continued)**

- b) 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;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 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 are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2 (b) above on reporting under Section 143(3)(b) and paragraph 2 (h) (vi) below on reporting under Rule 11(g);
- g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and its associate company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- 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 and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the subsidiary referred to in the Other Matters section above:
  - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate – Refer Note 30 to the consolidated financial statements.
  - ii) The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary company and associate company incorporated in India during the year ended March 31, 2026.
  - iv)
    - a) The respective Managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us respectively that, to the best of their knowledge and belief, as disclosed in the note 38(vi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b) The respective Managements of the Holding Company and its subsidiary company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us respectively that, to the best of their knowledge and belief, as disclosed in the note 38(vi) to consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary company which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.



- v) On the basis of our verification, we report that the Board of Directors of the Holding Company, have proposed final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 15 to the consolidated financial statements).

In regard to the accounting software (SAP):

- vi) Based on our examination which included test checks, the Holding Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of this accounting software to log any direct data changes as explained in Note 38(ix)(a) to the consolidated financial statements.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior years has been preserved by the Holding Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

In regard to the accounting software (SaraL/Zing):

Based on our examination which included test checks, the Holding Company has used certain accounting softwares for maintaining its books of account (managed and maintained by a third-party software service provider) which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software as explained in Note 38(ix)(b) to the consolidated financial statements. Further, during the course of our audit and considering SOC report, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Holding Company as per the statutory requirements for record retention.

- 2) In our opinion, according to information, explanations given to us, the remuneration paid or provided by the Holding Company to its respective Directors is in accordance with the provisions of this section 197 read with Schedule V to the Act. Further, we report that one subsidiary company incorporated in India has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiary.
- 3) According to the information and explanations given to us, the details of qualifications/adverse remarks in the Companies (Auditors' Report) Order 2020 ('CARO') report issued by us for the Holding Company and our CARO report on the subsidiary company incorporated in India issued till the date of our audit report in the consolidated financial statements are as follows:

| Sl. No. | Name of the Company       | CIN                   | Type of Company (Holding /Subsidiary/ Associate) | Clause number of the CARO Report which is qualified or Adverse |
|---------|---------------------------|-----------------------|--------------------------------------------------|----------------------------------------------------------------|
| 1.      | Himatsingka Seide Limited | L17112KA1985PLC006647 | Holding Company                                  | Clause i(c)<br>Clause vii(a)                                   |

Further, the CARO report in respect of following is not available:

| Sl. No. | Name of the Company                          | CIN                   | Type of Company (Holding / Subsidiary/ Associate) |
|---------|----------------------------------------------|-----------------------|---------------------------------------------------|
| 1.      | AMPIN Energy C&I Twenty Four Private Limited | U35105DL2023PTC412220 | Associate                                         |

For **M S K A & Associates LLP**  
**(Formerly known as M S K A & Associates)**  
Chartered Accountants  
ICAI Firm Registration No. 105047W/W101187

**Vikram Dhanania**  
Partner  
Membership No. 060568  
UDIN: 26060568VYVUXV4097

**Place: Bengaluru**  
**Date : May 27, 2026**

## Annexure A to the Independent Auditors' Report on even date on the Consolidated Financial Statements of Himatsingka Seide Limited

### Auditors' Responsibilities for the Audit of the 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 Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate 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 associate 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 or business activities 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **M S K A & Associates LLP**

**(Formerly known as M S K A & Associates)**

Chartered Accountants

ICAI Firm Registration No. 105047W/W101187

**Vikram Dhanania**

Partner

Membership No. 060568

UDIN: 26060568VYVUXV4097

**Place: Bengaluru**

**Date : May 27, 2026**



## **Annexure B to the Independent Auditors' Report of even date on the Consolidated Financial Statements of Himatsingka Seide Limited**

**[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Himatsingka Seide Limited on the Consolidated Financial Statements for the year ended March 31, 2026]**

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

### **OPINION**

In conjunction with our audit of the consolidated financial statements of the Himatsingka Seide Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

### **MANAGEMENT'S AND BOARD OF DIRECTOR'S RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS**

The respective Management and the Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies incorporated in India.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide

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

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

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

#### **OTHER MATTER**

In respect of one associate company incorporated in India, the report of the auditor on the internal financial controls with reference to financial statements has not been received as at the date of this report. Accordingly, we are unable to comment on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements of the said associate company.

Our opinion is not modified in respect of this matter.

For **M S K A & Associates LLP**  
**(Formerly known as M S K A & Associates)**  
*Chartered Accountants*  
ICAI Firm Registration No. 105047W/W101187

**Vikram Dhanania**  
*Partner*  
Membership No. 060568  
UDIN: 26060568VYVUXV4097

**Place: Bengaluru**  
**Date : May 27, 2026**



# Consolidated Balance Sheet as at 31 March 2026

Himatsingka Seide Limited

CIN: L17112KA1985PLC006647

(₹ Lacs)

| Particulars                                                                               | Note | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------------|------|---------------------|---------------------|
| <b>ASSETS</b>                                                                             |      |                     |                     |
| <b>Non-current assets</b>                                                                 |      |                     |                     |
| Property, Plant and equipment                                                             | 3.1  | 1,97,728.54         | 2,01,035.69         |
| Capital work-in-progress                                                                  | 3.1  | 1,939.65            | 1,290.35            |
| Goodwill                                                                                  | 4    | 50,453.10           | 45,123.88           |
| Other intangible assets                                                                   | 3.3  | 1,534.87            | 2,746.68            |
| Right-of-use assets                                                                       | 31   | 2,187.85            | 2,942.21            |
| Financial assets                                                                          |      |                     |                     |
| i) Investments                                                                            | 5A   | 945.42              | 973.60              |
| ii) Other financial assets                                                                | 7    | 2,955.27            | 2,875.50            |
| Deferred tax assets (net)                                                                 | 8B   | 2,176.42            | 1,809.42            |
| Income tax assets (net)                                                                   | 8A   | 1,514.02            | 1,514.02            |
| Other non-current assets                                                                  | 9    | 1,407.29            | 3,985.51            |
| <b>Total non-current assets</b>                                                           |      | <b>2,62,842.43</b>  | <b>2,64,296.86</b>  |
| <b>Current assets</b>                                                                     |      |                     |                     |
| Inventories                                                                               | 10   | 1,22,371.96         | 1,00,750.17         |
| Financial assets                                                                          |      |                     |                     |
| i) Investments                                                                            | 5B   | 171.91              | 171.91              |
| ii) Trade receivables                                                                     | 11   | 1,19,168.74         | 1,08,668.87         |
| iii) Cash and cash equivalents                                                            | 12A  | 4,665.56            | 7,063.55            |
| iv) Bank balances other than (iii) above                                                  | 12B  | 3,065.92            | 4,407.11            |
| v) Loans                                                                                  | 6    | 26.85               | 140.60              |
| vi) Other financial assets                                                                | 7    | 59,685.06           | 49,553.36           |
| Other current assets                                                                      | 9    | 18,085.51           | 22,123.67           |
| Assets held for sale                                                                      | 13   | -                   | 8,782.13            |
| <b>Total current assets</b>                                                               |      | <b>3,27,241.51</b>  | <b>3,01,661.37</b>  |
| <b>Total assets</b>                                                                       |      | <b>5,90,083.94</b>  | <b>5,65,958.23</b>  |
| <b>EQUITY AND LIABILITIES</b>                                                             |      |                     |                     |
| <b>Equity</b>                                                                             |      |                     |                     |
| Equity share capital                                                                      | 14   | 6,287.11            | 6,287.11            |
| Other equity                                                                              | 15   | 2,07,786.48         | 1,96,986.33         |
| <b>Total equity</b>                                                                       |      | <b>2,14,073.59</b>  | <b>2,03,273.44</b>  |
| <b>Liabilities</b>                                                                        |      |                     |                     |
| <b>Non-current liabilities</b>                                                            |      |                     |                     |
| Financial liabilities                                                                     |      |                     |                     |
| i) Borrowings                                                                             | 16   | 1,29,698.38         | 1,35,359.19         |
| ii) Lease liabilities                                                                     | 31   | 1,247.73            | 1,624.84            |
| iii) Other financial liabilities                                                          | 21   | 28.37               | 26.49               |
| Provisions                                                                                | 17   | 2,308.05            | 1,949.21            |
| Deferred tax liabilities (net)                                                            | 8B   | 4,762.51            | 2,243.29            |
| Other non-current liabilities                                                             | 18   | 4,639.52            | 5,102.32            |
| <b>Total non-current liabilities</b>                                                      |      | <b>1,42,684.56</b>  | <b>1,46,305.34</b>  |
| <b>Current liabilities</b>                                                                |      |                     |                     |
| Financial liabilities                                                                     |      |                     |                     |
| i) Borrowings                                                                             | 19   | 1,32,229.40         | 1,18,555.17         |
| ii) Lease liabilities                                                                     | 31   | 377.10              | 1,193.28            |
| iii) Trade payables                                                                       |      |                     |                     |
| a) Total outstanding dues of micro enterprises and small enterprises                      | 20   | 11,509.61           | 13,821.63           |
| b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 20   | 73,310.95           | 71,108.69           |
| iv) Other financial liabilities                                                           | 21   | 9,142.73            | 6,035.98            |
| Other current liabilities                                                                 | 18   | 1,472.18            | 1,972.22            |
| Provisions                                                                                | 17   | 1,617.41            | 1,214.18            |
| Current tax liabilities (net)                                                             | 8A   | 3,666.41            | 2,478.30            |
| <b>Total current liabilities</b>                                                          |      | <b>2,33,325.79</b>  | <b>2,16,379.45</b>  |
| <b>Total liabilities</b>                                                                  |      | <b>3,76,010.35</b>  | <b>3,62,684.79</b>  |
| <b>Total equity and liabilities</b>                                                       |      | <b>5,90,083.94</b>  | <b>5,65,958.23</b>  |
| Summary of material accounting policies                                                   | 2    |                     |                     |

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**  
(Formerly known as M S K A & Associates)  
Chartered Accountants  
Firm's Registration Number: 105047W/W101187

**Vikram Dhanania**  
Partner  
Membership Number: 060568

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**D.K. Himatsingka**  
Executive Chairman  
DIN: 00139516

**Sankaranarayanan. M**  
Chief Financial Officer

Place: Bengaluru  
Date : 27 May 2026

**Shrikant Himatsingka**  
Executive Vice Chairman & Managing Director  
DIN: 00122103

**Bindu D**  
Company Secretary  
Membership number: A23290

Place: Bengaluru  
Date : 27 May 2026

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

Himatsingka Seide Limited

CIN: L17112KA1985PLC006647

(₹ Lacs)

| Particulars                                                                        | Note | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|------------------------------------------------------------------------------------|------|-----------------------------|-----------------------------|
| <b>Income</b>                                                                      |      |                             |                             |
| Revenue from operations                                                            | 22   | 2,51,509.31                 | 2,77,819.73                 |
| Other income                                                                       | 23   | 21,214.63                   | 6,507.02                    |
| <b>Total income</b>                                                                |      | <b>2,72,723.94</b>          | <b>2,84,326.75</b>          |
| <b>Expenses</b>                                                                    |      |                             |                             |
| Cost of raw materials and packing materials consumed                               | 24A  | 1,12,968.08                 | 1,22,878.23                 |
| Purchases of stock-in-trade                                                        | 24B  | 45,278.46                   | 20,867.12                   |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade      | 24C  | (20,123.19)                 | (4,101.84)                  |
| Employee benefits expense                                                          | 25   | 26,774.19                   | 26,927.60                   |
| Finance costs                                                                      | 26   | 29,058.19                   | 31,570.01                   |
| Depreciation and amortisation expense                                              | 27   | 16,421.02                   | 15,141.94                   |
| Other expenses                                                                     | 28   | 50,159.40                   | 59,834.10                   |
| <b>Total expenses</b>                                                              |      | <b>2,60,536.15</b>          | <b>2,73,117.16</b>          |
| <b>Profit before exceptional items and tax</b>                                     |      | <b>12,187.79</b>            | <b>11,209.59</b>            |
| Exceptional items                                                                  |      | –                           | (9,460.72)                  |
| <b>Profit before tax</b>                                                           |      | <b>12,187.79</b>            | <b>1,748.87</b>             |
| <b>Income tax expense</b>                                                          |      |                             |                             |
| Current tax                                                                        | 33   | 2,514.21                    | 3,084.62                    |
| Deferred tax                                                                       | 33   | 3,450.06                    | (8,963.58)                  |
| <b>Total tax expense</b>                                                           |      | <b>5,964.27</b>             | <b>(5,878.96)</b>           |
| <b>Profit after tax before share of associates</b>                                 |      | <b>6,223.52</b>             | <b>7,627.83</b>             |
| <b>Share of loss of associates</b>                                                 |      | <b>(27.33)</b>              | <b>(23.80)</b>              |
| <b>Profit for the year</b>                                                         |      | <b>6,196.19</b>             | <b>7,604.03</b>             |
| <b>Other comprehensive income</b>                                                  |      |                             |                             |
| A) Items that will not be reclassified to profit or loss                           |      |                             |                             |
| Re-measurements of defined employee benefit plan                                   |      | (153.94)                    | 324.59                      |
| Income tax effect on above                                                         |      | 53.79                       | (113.43)                    |
| B) Items that may be reclassified to profit or loss                                |      |                             |                             |
| Exchange differences in translating the financial statements of foreign operations |      | 8,170.54                    | 2,106.91                    |
| Effective portion of gain/(loss) on hedging instruments in cash flow hedge         |      | (3,938.46)                  | 12.75                       |
| Income tax effect on above                                                         |      | 988.25                      | (4.45)                      |
| <b>Other comprehensive income for the year, net of tax</b>                         |      | <b>5,120.18</b>             | <b>2,326.37</b>             |
| <b>Total comprehensive income for the year</b>                                     |      | <b>11,316.37</b>            | <b>9,930.40</b>             |
| <b>Earnings per equity share (face value of ₹ 5 each)</b>                          |      |                             |                             |
| Basic (in ₹)                                                                       | 34   | <b>4.93</b>                 | <b>6.92</b>                 |
| Diluted (in ₹)                                                                     | 34   | <b>4.93</b>                 | <b>6.82</b>                 |
| Summary of material accounting policies                                            | 2    |                             |                             |

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**  
(Formerly known as M S K A & Associates)  
Chartered Accountants  
Firm's Registration Number: 105047W/W101187

**Vikram Dhanania**  
Partner  
Membership Number: 060568

Place: Bengaluru  
Date : 27 May 2026

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**D.K. Himatsingka**  
Executive Chairman  
DIN: 00139516

**Sankaranarayanan. M**  
Chief Financial Officer

Place: Bengaluru  
Date : 27 May 2026

**Shrikant Himatsingka**  
Executive Vice Chairman & Managing Director  
DIN: 00122103

**Bindu D**  
Company Secretary  
Membership number: A23290

Place: Bengaluru  
Date : 27 May 2026

# Consolidated Statement of Cash Flows for the year ended 31 March 2026

Himatsingka Seide Limited

CIN: L17112KA1985PLC006647

(₹ Lacs)

| Particulars                                                                        | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Cash flows from operating activities</b>                                        |                             |                             |
| Profit before tax                                                                  | 12,187.79                   | 1,748.87                    |
| <b>Adjustments for:</b>                                                            |                             |                             |
| Finance costs                                                                      | 29,058.17                   | 31,570.01                   |
| Interest income                                                                    | (471.92)                    | (645.42)                    |
| Net loss on disposal of property, plant and equipment                              | 14.46                       | 17.50                       |
| Investment written off                                                             | 26.33                       | –                           |
| Loss allowance on financial assets                                                 | 1,363.27                    | 1,511.14                    |
| Bad debts written off                                                              | 35.02                       | 66.75                       |
| Amortized value of employee loans and security deposits                            | 19.96                       | 14.94                       |
| Depreciation and amortisation expense                                              | 16,421.02                   | 15,141.94                   |
| Impairment of Goodwill                                                             | –                           | 9,460.72                    |
| Income on derecognition of leases                                                  | –                           | (1,837.32)                  |
| Provision no longer required written back                                          | (1,052.90)                  | –                           |
| Net unrealised foreign exchange gain on operating activities                       | (13,918.22)                 | (299.96)                    |
| Net unrealised foreign exchange gain loss on non operating activities              | 478.66                      | (4.64)                      |
| Rental income from operating lease                                                 | (79.17)                     | (128.66)                    |
| <b>Operating cash flows before working capital changes</b>                         | <b>44,082.47</b>            | <b>56,615.87</b>            |
| <b>Movement in working capital</b>                                                 |                             |                             |
| <b>Adjustment for (increase)/ decrease in operating assets:</b>                    |                             |                             |
| Trade receivables                                                                  | 7,579.00                    | (18,186.61)                 |
| Inventories                                                                        | (15,915.09)                 | (1,309.88)                  |
| Other assets                                                                       | (803.80)                    | (7,911.10)                  |
| <b>Adjustment for increase/ (decrease) in operating liabilities:</b>               |                             |                             |
| Trade payables                                                                     | (14,663.80)                 | (2,874.09)                  |
| Provisions                                                                         | 608.12                      | (185.31)                    |
| Other liabilities                                                                  | 477.71                      | 343.28                      |
| <b>Cash generated from operations</b>                                              | <b>21,364.61</b>            | <b>26,492.16</b>            |
| Income taxes paid (net)                                                            | (951.97)                    | (2,979.01)                  |
| <b>Net cash generated from operating activities (A)</b>                            | <b>20,412.64</b>            | <b>23,513.15</b>            |
| <b>Cash flows from investing activities</b>                                        |                             |                             |
| Interest received                                                                  | 449.90                      | 583.88                      |
| Acquisition of property, plant and equipment and intangible assets (net)           | (2,716.19)                  | (2,142.80)                  |
| Proceeds from sale of property, plant and equipment                                | 12.56                       | (218.30)                    |
| Income from investment property                                                    | 79.17                       | 128.66                      |
| Bank deposits (made)/ redeemed during the year                                     | 1,346.25                    | 8,420.86                    |
| Investments made                                                                   | –                           | (972.75)                    |
| <b>Net cash (used in) / generated from investing activities (B)</b>                | <b>(828.31)</b>             | <b>5,799.55</b>             |
| <b>Cash flows from financing activities</b>                                        |                             |                             |
| Proceeds from / (repayment of) current borrowings (net)                            | (12,408.37)                 | 6,098.72                    |
| Proceeds from non-current borrowings                                               | 38,966.09                   | 9,262.72                    |
| Repayment of non-current borrowings                                                | (19,302.96)                 | (41,559.72)                 |
| Dividends paid on equity shares                                                    | (294.48)                    | (246.14)                    |
| Payment of lease liabilities                                                       | (1,432.91)                  | (1,691.23)                  |
| Proceeds from government subsidies                                                 | 6,200.00                    | –                           |
| Proceeds from issue of equity shares (net of expenses)                             | –                           | 37,693.67                   |
| Interest paid                                                                      | (33,953.57)                 | (35,380.42)                 |
| <b>Net cash flow (used in) financing activities (C)</b>                            | <b>(22,226.20)</b>          | <b>(25,822.40)</b>          |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>              | <b>(2,641.87)</b>           | <b>3,490.30</b>             |
| Cash and cash equivalents at the beginning of the year                             | 7,063.55                    | 3,544.27                    |
| Effects of exchange rate changes on cash and cash equivalents                      | 243.88                      | 28.98                       |
| <b>Cash and cash equivalents at the end of the year</b>                            | <b>4,665.56</b>             | <b>7,063.55</b>             |
| <b>Components of cash and cash equivalents (refer note 12A)</b>                    |                             |                             |
| <b>Cash and cash equivalents comprise of:</b>                                      |                             |                             |
| Cash in hand                                                                       | 3.79                        | 5.57                        |
| Balance with banks                                                                 |                             |                             |
| – in current accounts                                                              | 3,659.64                    | 1,638.56                    |
| – in deposit accounts (with original maturity of period of less than three months) | 1,002.13                    | 5,419.42                    |
| <b>Total cash and cash equivalents in balance sheet</b>                            | <b>4,665.56</b>             | <b>7,063.55</b>             |

# Consolidated Statement of Cash Flows for the year ended 31 March 2026

Himatsingka Seide Limited

CIN: L17112KA1985PLC006647

## Reconciliation of movements of liabilities to cash flows arising from financing activities

(₹ Lacs)

|                                                                                 | Opening balance<br>1 April 2025 | Net cash flows     | Non-cash<br>movement | Closing balance<br>31 March 2026 |
|---------------------------------------------------------------------------------|---------------------------------|--------------------|----------------------|----------------------------------|
| Non current borrowings (including current maturities of non current borrowings) | 1,50,752.52                     | 19,663.13          | 867.61               | 1,71,283.26                      |
| Current borrowings (excluding current maturities of non current borrowings)     | 1,03,161.84                     | (12,408.37)        | (108.95)             | 90,644.52                        |
| Interest accrued but not due                                                    | 2,112.01                        | (33,953.57)        | 33,886.93            | 2,045.37                         |
| Lease liabilities                                                               | 2,818.12                        | (1,432.91)         | 239.62               | 1,624.83                         |
| <b>Total liabilities from financing activities</b>                              | <b>2,58,844.49</b>              | <b>(28,131.72)</b> | <b>34,885.21</b>     | <b>2,65,597.98</b>               |

## Reconciliation of movements of liabilities to cash flows arising from financing activities

(₹ Lacs)

|                                                                                 | Opening balance<br>1 April 2024 | Net cash flows     | Non-cash<br>movement | Closing balance<br>31 March 2025 |
|---------------------------------------------------------------------------------|---------------------------------|--------------------|----------------------|----------------------------------|
| Non current borrowings (including current maturities of non current borrowings) | 1,82,744.99                     | (32,297.00)        | 304.53               | 1,50,752.52                      |
| Current borrowings (excluding current maturities of non current borrowings)     | 97,067.77                       | 6,098.72           | (4.65)               | 1,03,161.84                      |
| Interest accrued but not due                                                    | 2,522.94                        | (35,380.42)        | 34,969.49            | 2,112.01                         |
| Lease liabilities                                                               | 9,971.90                        | (1,691.23)         | (5,462.55)           | 2,818.12                         |
| <b>Total liabilities from financing activities</b>                              | <b>2,92,307.60</b>              | <b>(63,269.93)</b> | <b>29,806.82</b>     | <b>2,58,844.49</b>               |

The Consolidated Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

Summary of material accounting policies (refer note 2)

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**  
(Formerly known as M S K A & Associates)  
Chartered Accountants  
Firm's Registration Number: 105047W/W101187

**Vikram Dhanania**  
Partner  
Membership Number: 060568

Place: Bengaluru  
Date : 27 May 2026

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**D.K. Himatsingka**  
Executive Chairman  
DIN: 00139516

**Sankaranarayanan. M**  
Chief Financial Officer

Place: Bengaluru  
Date : 27 May 2026

**Shrikant Himatsingka**  
Executive Vice Chairman & Managing Director  
DIN: 00122103

**Bindu D**  
Company Secretary  
Membership number: A23290

Place: Bengaluru  
Date : 27 May 2026

## Consolidated Statement of Changes in Equity for the year ended 31 March 2026

**Himatsingka Seide Limited**

CIN: L17112KA1985PLC006647

| Particulars                                            |                                      |                 |                            |                 |               |                   |                                            |                                      |             | (₹ Lacs)           |
|--------------------------------------------------------|--------------------------------------|-----------------|----------------------------|-----------------|---------------|-------------------|--------------------------------------------|--------------------------------------|-------------|--------------------|
| A. Equity share capital (refer note 14)                |                                      |                 |                            |                 |               |                   |                                            |                                      |             |                    |
| Balance as at 01 April 2024                            |                                      |                 |                            |                 |               |                   |                                            |                                      |             | 4,922.86           |
| Changes in equity share capital during the year        |                                      |                 |                            |                 |               |                   |                                            |                                      |             | 1,364.25           |
| Balance as at 31 March 2025                            |                                      |                 |                            |                 |               |                   |                                            |                                      |             | 6,287.11           |
| Changes in equity share capital during the year        |                                      |                 |                            |                 |               |                   |                                            |                                      |             | –                  |
| Balance as at 31 March 2026                            |                                      |                 |                            |                 |               |                   |                                            |                                      |             | 6,287.11           |
| B. Other Equity                                        |                                      |                 |                            |                 |               |                   |                                            |                                      |             |                    |
| Particulars                                            | Reserves and surplus (Refer note 15) |                 |                            |                 |               |                   | Other comprehensive income (Refer note 15) |                                      |             | Total Other Equity |
|                                                        | Capital reserve on consolidation     | Capital reserve | Securities premium reserve | General reserve | Legal reserve | Retained earnings | Effective portion of cash flow hedge       | Foreign currency translation reserve |             |                    |
| Balance as at 1 April 2024                             | 66.74                                | 620.88          | 27,675.71                  | 17,270.17       | 9.90          | 92,935.79         | 128.38                                     | 12,264.55                            | 1,50,972.12 |                    |
| Profit for the year                                    | –                                    | –               | –                          | –               | –             | 7,604.03          | –                                          | –                                    | 7,604.03    |                    |
| Security premium on shares issued during the year      | –                                    | –               | 38,635.77                  | –               | –             | –                 | –                                          | –                                    | 38,635.77   |                    |
| Equity fund raising expenses                           | –                                    | –               | (2,306.39)                 | –               | –             | –                 | –                                          | –                                    | (2,306.39)  |                    |
| Other comprehensive income for the year, net of tax    | –                                    | –               | –                          | –               | –             | 211.16            | 8.30                                       | 2,106.91                             | 2,326.37    |                    |
| Payment of dividends                                   | –                                    | –               | –                          | –               | –             | (246.14)          | –                                          | –                                    | (246.14)    |                    |
| Foreign exchange differences                           | –                                    | –               | –                          | –               | 0.57          | –                 | –                                          | –                                    | 0.57        |                    |
| Balance as at 31 March 2025                            | 66.74                                | 620.88          | 64,005.09                  | 17,270.17       | 10.47         | 1,00,504.84       | 136.68                                     | 14,371.46                            | 1,96,986.33 |                    |
| Balance as at 1 April 2025                             | 66.74                                | 620.88          | 64,005.09                  | 17,270.17       | 10.47         | 1,00,504.84       | 136.68                                     | 14,371.46                            | 1,96,986.33 |                    |
| Profit for the year                                    | –                                    | –               | –                          | –               | –             | 6,196.19          | –                                          | –                                    | 6,196.19    |                    |
| Other comprehensive income for the year, net of tax    | –                                    | –               | –                          | –               | –             | (100.15)          | (2,950.21)                                 | 8,170.54                             | 5,120.18    |                    |
| Payment of dividends                                   | –                                    | –               | –                          | –               | –             | (517.59)          | –                                          | –                                    | (517.59)    |                    |
| Foreign exchange differences                           | –                                    | –               | –                          | –               | 1.37          | –                 | –                                          | –                                    | 1.37        |                    |
| Balance as at 31 Mar 2026                              | 66.74                                | 620.88          | 64,005.09                  | 17,270.17       | 11.84         | 1,06,083.29       | (2,813.53)                                 | 22,542.00                            | 2,07,786.48 |                    |
| Summary of material accounting policies (refer note 2) |                                      |                 |                            |                 |               |                   |                                            |                                      |             |                    |

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

**For M S K A & Associates LLP**  
**(Formerly known as M S K A & Associates)**

Chartered Accountants

Firm's Registration Number: 105047W/W101187

**Vikram Dhanania**

Partner

Membership Number: 060568

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**
**D.K. Himatsingka**

Executive Chairman

DIN: 00139516

**Sankaranarayanan. M**

Chief Financial Officer

**Shrikant Himatsingka**

Executive Vice Chairman &amp; Managing Director

DIN: 00122103

**Bindu D**

Company Secretary

Membership number: A23290

**Place: Bengaluru**
**Date : 27 May 2026**
**Place: Bengaluru**
**Date : 27 May 2026**



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Corporate information

Himatsingka Seide Limited ("the Holding Company") is incorporated and domiciled in India. The Holding Company together with its subsidiaries (including step subsidiaries) is collectively referred to as ("the Group"). The Holding Company is a public limited company incorporated in India and listed on Bombay Stock Exchange and National Stock Exchange. The Group is primarily engaged in manufacturing, sale and distribution of textile products. The Group has two manufacturing facilities in India and has retail and distribution businesses across North America, Europe and Asia.

The Group's consolidated financial statements were approved by the Holding Company's Board of Directors on 27 May 2026.

The registered office of the Holding Company is No.4/1-2, Crescent Road, Bengaluru – 560 001.

### 1. Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III and other relevant provisions of the Act.

#### 1.1 Functional and presentation currency

These consolidated financial statements are presented in India Rupees (₹), which is also the Holding Company's functional currency. All amounts have been presented in rupees in Lacs and rounded off upto two decimals.

#### 1.2 Basis of preparation

The consolidated financial statements have been prepared on the historical cost convention and on an accrual basis of accounting except:

- a) Defined benefit and other long-term employee benefits that are measured at present value of defined benefit obligations less fair value of plan assets.
- b) Certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The Group has consistently applied the following accounting policies to all the years presented in the consolidated financial statements.

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern.

#### 1.3 Use of estimates, assumptions and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the year in which the estimates are revised, and future periods are affected.

### Assumptions, judgements, and estimations

Information about assumptions, judgements and estimations that have a significant risk of resulting in a material adjustment during the year ended 31 March 2026 is summarized below:

#### Determination of the estimated useful lives:

Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, these are estimated by management taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long-term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

### Impairment testing:

Property, plant and equipment, right of use assets, investments, goodwill, intangible assets and other assets are tested for impairment at least annually and when event occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimate and assumptions which includes growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions

### Expected credit losses on financial assets:

The Group recognises an allowance for expected credit losses (ECL) for all financial assets not held at fair value through profit or loss. ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate (in case of non-current financial assets).

For trade receivables, the Group applies a simplified approach in calculating ECL. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### Provisions & contingent liabilities:

The Group exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision.

### Government Grants:

The Group is eligible for government grants under various schemes issued by the State and the Central Government. Each of these schemes requires fulfilment of conditions by the Group to be eligible to receive the grant. Recognition of grants (including its classification as capital or revenue grant) requires judgement and assumptions, which are subject to uncertainty, regarding compliance with the conditions specified in the relevant schemes and receipt of the grants. The Group reassesses the recoverability of these grants at each balance sheet date and makes appropriate provisions, where required.

### 1.4 Measurement of fair values

The Group measures financial instruments, such as derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

**Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

**Level 3** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 35-financial instruments.

### 1.5 Current versus non-current classification

All assets and liabilities have been classified as current or non-current based on the Group's normal operating cycle for its businesses, as per the criteria set out in Schedule III to the Act.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

## 2. Material accounting policies

### 2.1 Basis of consolidation

The Group consolidates all entities which are controlled by it. Subsidiaries are the entities controlled by the Group. The consolidated financial statements comprise the financial statements of the Holding Company, its subsidiaries (including step subsidiaries) and associates as below:

| Name of the Company                     | Nature               | Country of Incorporation | Equity Interest |               |
|-----------------------------------------|----------------------|--------------------------|-----------------|---------------|
|                                         |                      |                          | 31 March 2026   | 31 March 2025 |
| Himatsingka Seide Ltd.                  | Holding Company      | India                    | NA              | NA            |
| Himatsingka Wovens Pvt. Ltd.            | Subsidiary           | India                    | 100%            | 100%          |
| Himatsingka Holdings North America Inc. | Subsidiary           | United States            | 100%            | 100%          |
| Himatsingka America Inc.                | Step-down subsidiary | United States            | 100%            | 100%          |
| Ampin Energy C&I Twenty Four Pvt. Ltd.  | Associate            | India                    | 47.30%          | 47.30%        |

The Group establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date control ceases.

The consolidated financial statements of the subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. The consolidated financial statements are prepared by applying uniform policies in use at the Group.

Assets and liabilities of entities with functional currency other than the functional currency of the Holding Company have been translated using exchange rates prevailing on the balance sheet date. Consolidated statement of profit and loss of such entities has been translated using average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity.

Associates are the entities over which the holding company has significant influence but not the control or joint control. This is generally the case when the holding company holds between 20% to 50% of the voting rights. Investments in Associates are accounted using the equity method of accounting, after initially being recognised at cost.

### 2.2 Business combination

The Group accounts for its business combinations under the acquisition method of accounting. Acquisition related costs are recognized in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

Purchase consideration paid in excess of the fair value of net assets acquired is recognized as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognized as capital reserve.

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where that control is not transitory are accounted for as per the pooling of interest method. The business combination is accounted for as if the business combination had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognized at their carrying amounts. The identity of the reserves is preserved, and they appear in the consolidated financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

### 2.3 Revenue recognition

#### Revenue from contracts with customers -sale of goods:

Revenue is recognised upon transfer of control of promised goods to customer in an amount that reflects the consideration the Group expects to receive in exchange for those goods.

The Group derives its revenue primarily from sale of products.

The Group recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is measured at transaction price received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For certain contracts that permits the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Revenue from sale of products is recognised at a point in time when control is transferred to customer.

The Group applies the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Group then applies the requirements on constraining estimates in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue.

#### Scrap sales:

Revenue from sale of scrap is measured at the transaction price of the consideration received or receivable. Sales are recognised when the significant risks and rewards of ownership, which coincide with transfer of controls of goods, are transferred to the buyer as per the terms of contract with customers.

#### Contract balances:

##### Trade receivables

A trade receivable is recognized if the amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section – Financial instruments – initial recognition and subsequent measurement.

##### Cost to obtain a contract and cost to fulfil a contract

Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortized over the contract term as reduction in revenue.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognized.

### 2.4 Other income

Other income comprises interest income, and gain/ (losses) on disposal of financial assets and non-financial assets. It is recognized on an accrual basis except where the receipt of income is uncertain.

Interest income is recognized using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to:

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

Dividend income is recognized when the right to receive dividend is established.

### 2.5 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease, that is if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

##### i) Right-of-use assets

The Group recognizes a right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date and a lease liability at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less accumulated amortization, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the consolidated statement of profit and loss.

##### ii) Lease liabilities

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses an incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and consolidated statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in consolidated statement of profit and loss.

##### iii) Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included in revenue in the consolidated statement of profit or loss due to its operating nature.

### 2.6 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs allocated to and utilized for qualifying assets pertaining to the period from commencement of activities directly attributable to the acquisition, construction or production upto the date of capitalization of such asset are added to the cost of the assets. Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use.



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### 2.7 Government grants

Government grants are recognized at their fair value where there is reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Grants related to assets are government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Grants related to income are government grants other than those related to assets.

Government grants relating to an expense item are recognized in the consolidated statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented as a deduction in reporting the related expense. The presentation approach is applied consistently to all similar grants. Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to consolidated statement of profit and loss over the periods and in proportions in which depreciation expense on those assets is recognized.

Income from export incentives are recognized in the consolidated statement of profit and loss when the right to receive credit as per the terms of the entitlement is established in respect of exports made and disclosed as other operating revenues.

Income from government incentives (other than export incentive) are recognized in the consolidated statement of profit and loss account when the right to receive credit as per the terms of the entitlement is established and disclosed as a reduction to the related expense.

### 2.8 Employee benefits

#### a) Defined benefit plans

The Holding Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates or determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the consolidated statement of profit and loss does not include an expected return on plan assets. Instead, net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit and loss in subsequent periods.

#### b) Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, bonus, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g. short term performance incentive, if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the amount of obligation can be estimated reliably.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in the consolidated statement of profit and loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### c) Compensated absences

The employees of the Group are entitled to compensated absence. The employees can carry-forward a portion of the unutilized accumulating compensated absence and utilize it in future periods. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit Method as at the reporting date. Actuarial gains / losses are immediately taken to the consolidated statement of profit and loss. The Group presents the entire obligation for compensated absences as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond twelve months from the reporting date.

#### d) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee Provident Fund, ESIC

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

to regulatory authorities. Such benefits are classified as defined contribution plan. The Group's contribution is recognized as an expense in the consolidated statement of profit and loss during the period in which the employee renders the related service.

### 2.9 Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the consolidated statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements except for the cases mentioned below.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction.
- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The Group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realized. Deferred tax assets, unrecognized or recognized, are reviewed at each reporting date and are recognized/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized.

Minimum alternative tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the concerned company in the Group will pay normal income tax in future years. Ind AS 12 defines deferred tax to include carry forward of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement is grouped with deferred tax assets (net) in the balance sheet.

The Group offsets the current tax assets and liabilities (on a year-on-year basis), where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

### 2.10 Property, plant and equipment

#### a) Recognition and measurement:

Items of property, plant and equipment, except land, held for use in the production, supply or administrative purposes, are measured at cost less accumulated depreciation (which includes capitalized borrowing costs, if any) and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing an asset to working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

Assets in the course of construction are capitalized as capital work-in-progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repair and maintenance costs are recognized in the consolidated statement of profit and loss when incurred. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in consolidated statement of profit and loss.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date classified as capital advances under other non-current assets and the cost of the assets not put to use before such date are disclosed under Capital work in progress.

### b) Depreciation:

Depreciation is provided on a Straight Line Method ('SLM') over the estimated useful lives of the property, plant and equipment as estimated by the Management and is recognised in the consolidated statement of profit and loss.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

The Group has estimated the useful lives for property, plant and equipment as follows:

| Class of assets                              | Years                                                      |
|----------------------------------------------|------------------------------------------------------------|
| Buildings                                    | 10 – 60 years                                              |
| Plant and equipment*                         | 3 – 41 years                                               |
| Furniture and fixtures                       | 5 – 13 years                                               |
| Office equipment (Incl. books and catalogue) | 3 – 25 years                                               |
| Vehicles                                     | 6 – 13 years                                               |
| Leasehold improvements                       | shorter of the lease term and their estimated useful lives |

Land is not depreciated.

\* The Management believes that the useful lives as given best represent the period over which the management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for some of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Act.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

## 2.11 Goodwill and Other Intangible Assets

### a) Goodwill

For measurement of goodwill that arises on a business combination refer note 2.2. Subsequent measurement is at cost less any accumulated impairment losses.

### b) Other intangible assets

#### i) Recognition and measurement

*Acquired intangible assets*

Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortization and any accumulated impairment loss.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### *Internally generated intangible assets*

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- Its intention to complete and its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset;
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

### **ii) Subsequent measurement**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

### **iii) Amortization**

The Group amortizes intangible assets with a finite useful life using the straight-line method.

The estimated useful lives of intangibles (including internally generated intangible assets) are as follows:

| Class of asset      | Useful life  |
|---------------------|--------------|
| Computer software   | 4 – 10 years |
| Technical know-how  | 10 years     |
| Brands and licenses | 3 – 10 years |

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

### **iv) Derecognition of intangible assets**

An intangible asset is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal of an intangible asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in consolidated statement of profit and loss.

## **2.12 Impairment of non-financial assets**

### **Goodwill**

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units (CGU) or groups of CGUs expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised in the consolidated statement of profit and loss and is not reversed in the subsequent period.

### **Other intangible assets and property, plant and equipment**

Other intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

If such assets/ CGU are considered to be impaired, the impairment to be recognized in the consolidated statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the consolidated statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset/ CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

### 2.13 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average formula and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of raw materials and traded goods, cost comprises of cost of purchase and other costs incurred in bringing the inventories to their present location and condition. In the case of finished goods and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases when a decline in the price of materials indicates that the cost of the finished products shall exceed the net realisable value.

The provision for inventory obsolescence is assessed periodically and is provided as considered necessary.

### 2.14 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant functional currency at exchange rates in effect at the balance sheet date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in the consolidated statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in the consolidated statement of profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and qualifying cash flow hedges to the extent that the hedges are effective.
- Also refer note 2.6 regarding exchange differences relating to foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

### 2.15 Provisions and contingent liabilities

#### Provisions

A provision is recognized if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (where the effect of time value of money is material, representing the best estimate of the expenditure required to settle the present obligation at the reporting date) at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of discount is recognized as finance cost.

#### Contingent liabilities

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent liabilities are disclosed by way of note to the consolidated financial statements.



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### 2.16 Financial Instruments

#### a) Initial recognition and initial measurement

The financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

#### b) Classification and subsequent measurement

##### i) Financial assets

On initial recognition, a financial asset is classified and measured at:

- amortized cost;
- fair value through other comprehensive income (FVOCI) - debt investment;
- fair value through other comprehensive income (FVOCI) - equity investment; or
- fair value through profit and loss (FVTPL)

Financial assets are not re-classified subsequent to their initial recognition, except if and in the period there are changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the Group irrevocably elects to present subsequent changes in the investment's fair value in OCI (designated as FVOCI-equity investment). This election is made on an investment-to-investment basis.

All financial assets not classified as amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

|                                        |                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Financial assets at FVTPL              | These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in the consolidated statement of profit and loss.                                                                                                                                                                                                     |
| Financial assets at amortized cost     | These assets are subsequently measured at amortized cost using the effective amortized cost interest method reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the consolidated statement of profit and loss.                          |
| Debt instruments at FVOCI              | These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the consolidated statement of profit and loss. |
| Equity investments recognized at FVOCI | These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to the consolidated statement of profit and loss.                                          |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Group applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12 month ECL.

### Derecognition of financial assets

A financial asset is derecognized only when:

- the Group has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset.

## ii) Financial liabilities

### Classification, subsequent measurement and gains and losses

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the consolidated statement profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to consolidated statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the consolidated statement of profit or loss. The Group has not designated any financial liability as at fair value through profit or loss.

### Amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in consolidated statement of profit and loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of profit and loss.

### Derecognition

The Group derecognizes financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognizes financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the consolidated statement of profit and loss.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

### 2.17 Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency risk exposure.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in the consolidated statement of profit and loss.

The Group designates their derivatives as hedge instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

### Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivatives is recognized in OCI and accumulated in the other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognized in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the consolidated statement of profit and loss.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in other equity is included directly in the initial cost of the non-financial item when it is recognized. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to the consolidated statement of profit and loss in the same period or periods during which the hedged expected future cash flows affect the consolidated statement of profit and loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instruments is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to the consolidated statement of profit and loss in the same period or periods as the hedged expected future cash flows affect the consolidated statement of profit and loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to the consolidated statement of profit and loss.

Changes in fair value of foreign currency derivative instruments not designated as cash flow hedges are recognized in the consolidated statement of profit and loss and reported within foreign exchange gains, net within results from operating activities.

### 2.18 Earnings per equity share

The basic earnings per share is computed by dividing the net profit attributable to owners of the Holding Company for the year by the weighted average number of equity shares outstanding during the reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increase loss per share are included.

### 2.19 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of statement of cash flows, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### 2.20 Statement of Cash flows

Cash flows are reported using the indirect method, whereby net profit/loss before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

### 2.21 Dividends

The Group recognizes a liability to make dividend distributions to equity holders of the Group when the distribution is authorized, and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the respective company's Board of Directors.

### 2.22 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group), whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Operating segments of the Group are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

### 2.23 Non-current assets for sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active program to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortized once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

### 2.24 New Standards, Interpretations and Amendments adopted by the Group

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

The Ministry of corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

Adequate disclosure for supplier finance arrangements have been made in these consolidated financial statements (refer Note 20).

### b) Amendments to Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendments aim to clarify the below:

- i) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.
- ii) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period;
- iii) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the consolidated financial statements of the Company. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

### c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Company operates.

### d) Amendment to Ind AS 21-Lack of exchangeability

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the consolidated financial statements of the Company.

### The below amendments are notified but not yet effective

### e) Amendment to Ind AS 1 'Presentation of Financial Statements' - Classification of Liabilities as current or non-current and non-current liabilities with covenants:

The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

- i) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.
- ii) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.
- iii) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Company does not expect this amendment to have an impact on its operations or financial statements.





## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

## Note 3.1 : Property plant and equipment

(₹ Lacs)

| Particulars                        | Land<br>(refer note<br>3.1.3) | Buildings          | Plant<br>and equipment | Furniture<br>and fixtures | Leasehold<br>improvements | Office<br>equipments | Vehicles       | Total                | Capital work in<br>progress<br>(refer note 3.2) |
|------------------------------------|-------------------------------|--------------------|------------------------|---------------------------|---------------------------|----------------------|----------------|----------------------|-------------------------------------------------|
| <b>Cost:</b>                       |                               |                    |                        |                           |                           |                      |                |                      |                                                 |
| Balance as at 1 April 2024         | 28,618.13                     | 73,894.87          | 2,37,373.45            | 14,249.85                 | 3,787.36                  | 8,483.27             | 98.78          | 3,66,505.71          | 3,221.06                                        |
| Additions                          | -                             | 10.28              | 2,576.78               | 0.71                      | -                         | 27.90                | 35.20          | 2,650.87             | 751.93                                          |
| Disposals                          | -                             | -                  | (4.69)                 | -                         | -                         | -                    | (11.47)        | (16.16)              | -                                               |
| Transfers/Capitalised              | -                             | -                  | (23,781.05)            | -                         | -                         | (14.36)              | -              | (23,795.41)          | (2,682.64)                                      |
| Other adjustments                  | -                             | -                  | 127.29                 | 306.64                    | 106.06                    | 100.19               | 0.04           | 640.22               | -                                               |
| <b>Balance as at 31 March 2025</b> | <b>28,618.13</b>              | <b>73,905.15</b>   | <b>2,16,291.78</b>     | <b>14,557.20</b>          | <b>3,893.42</b>           | <b>8,597.00</b>      | <b>122.55</b>  | <b>3,45,985.23</b>   | <b>1,290.35</b>                                 |
| Balance as at 1 April 2025         | 28,618.13                     | 73,905.15          | 2,16,291.78            | 14,557.20                 | 3,893.42                  | 8,597.00             | 122.55         | 3,45,985.23          | 1,290.35                                        |
| Additions                          | -                             | 164.93             | 714.58                 | 278.72                    | -                         | 74.15                | -              | 1,232.38             | 1,192.28                                        |
| Disposals                          | -                             | -                  | (170.58)               | (29.83)                   | -                         | -                    | -              | (200.41)             | -                                               |
| Transfers/Capitalised*             | -                             | 11,447.99          | -                      | -                         | -                         | -                    | -              | 11,447.99            | (542.98)                                        |
| Other adjustments                  | -                             | 180.06             | 566.21                 | 1,290.52                  | 408.96                    | 446.92               | 0.21           | 2,892.88             | -                                               |
| <b>Balance as at 31 March 2026</b> | <b>28,618.13</b>              | <b>85,698.13</b>   | <b>2,17,401.99</b>     | <b>16,096.61</b>          | <b>4,302.38</b>           | <b>9,118.07</b>      | <b>122.76</b>  | <b>3,61,358.07</b>   | <b>1,939.65</b>                                 |
| <b>Accumulated depreciation:</b>   |                               |                    |                        |                           |                           |                      |                |                      |                                                 |
| Balance as at 1 April 2024         | -                             | (16,186.70)        | (99,407.65)            | (10,990.70)               | (2,944.36)                | (7,522.41)           | (49.29)        | (1,37,101.11)        | -                                               |
| Depreciation charge for the year   | -                             | (2,617.72)         | (10,721.05)            | (617.62)                  | (75.13)                   | (163.52)             | (4.96)         | (14,200.00)          | -                                               |
| Disposals                          | -                             | -                  | 4.13                   | -                         | -                         | -                    | -              | 4.13                 | -                                               |
| Transfers/Capitalised              | -                             | -                  | 6,847.18               | -                         | -                         | 14.36                | -              | 6,861.54             | -                                               |
| Other adjustments                  | -                             | -                  | (83.96)                | (257.22)                  | (85.12)                   | (87.76)              | (0.04)         | (514.10)             | -                                               |
| <b>Balance as at 31 March 2025</b> | <b>-</b>                      | <b>(18,804.42)</b> | <b>(1,03,361.35)</b>   | <b>(11,865.54)</b>        | <b>(3,104.61)</b>         | <b>(7,759.33)</b>    | <b>(54.29)</b> | <b>(1,44,949.54)</b> | <b>-</b>                                        |
| Balance as at 1 April 2025         | -                             | (18,804.42)        | (1,03,361.35)          | (11,865.54)               | (3,104.61)                | (7,759.33)           | (54.29)        | (1,44,949.54)        | -                                               |
| Depreciation charge for the year   | -                             | (4,857.19)         | (9,193.73)             | (533.35)                  | (78.57)                   | (114.45)             | (8.47)         | (14,785.76)          | -                                               |
| Disposals                          | -                             | -                  | 145.12                 | 29.82                     | -                         | -                    | -              | 174.94               | -                                               |
| Transfers/Capitalised*             | -                             | (1,734.83)         | -                      | -                         | -                         | -                    | -              | (1,734.83)           | -                                               |
| Other adjustments                  | -                             | (5.49)             | (431.45)               | (1,163.23)                | (333.69)                  | (400.27)             | (0.21)         | (2,334.34)           | -                                               |
| <b>Balance as at 31 March 2026</b> | <b>-</b>                      | <b>(25,401.93)</b> | <b>(1,12,841.41)</b>   | <b>(13,532.30)</b>        | <b>(3,516.87)</b>         | <b>(8,274.05)</b>    | <b>(62.97)</b> | <b>(1,63,629.53)</b> | <b>-</b>                                        |
| <b>Net book value:</b>             |                               |                    |                        |                           |                           |                      |                |                      |                                                 |
| As at 31 March 2026                | 28,618.13                     | 60,296.20          | 1,04,560.58            | 2,564.31                  | 785.51                    | 844.02               | 59.79          | 1,97,728.54          | 1,939.65                                        |
| As at 31 March 2025                | 28,618.13                     | 55,100.73          | 1,12,930.43            | 2,691.66                  | 788.81                    | 837.67               | 68.26          | 2,01,035.69          | 1,290.35                                        |

\*Refer note 13 for details on reclassification of asset held for sale.

## Note 3.1.1:

## Security

Refer note 16.1 and 19.2 for information on property, plant and equipment pledged as security by the Holding Company / Group.

## Note 3.1.2:

Other adjustments include exchange fluctuation arising on account of translation of foreign operations.

## Note 3.1.3:

a) The Holding Company has entered into lease cum sale agreement with Karnataka Industrial Area Development Board ("KIADB") for purchase of land under a lease cum sale agreement amounting to ₹ 6,585.19 Lacs. . The property will be transferred in the name of the Company post expiry of lease period.

b) The title deeds of immovable properties aggregating to ₹ 16,833.51 lakhs as at March 31, 2026, are mortgaged by way of deposit of title deeds with the banks.

## Note 3.1.4:

The above assets other than to the extent mentioned in note 3.1.3(a) above are owned by the Group.

## Note 3.1.5:

Refer note 29 for details on contractual commitments for acquiring property, plant and equipment.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 3.2 : Capital work-in-progress

#### a) Capital work-in-progress ageing :

(₹ Lacs)

| Particulars                        | Amount in capital work-in-progress for a period of |               |               |                   | Total           |
|------------------------------------|----------------------------------------------------|---------------|---------------|-------------------|-----------------|
|                                    | Less than 1 year                                   | 1–2 years     | 2–3 years     | More than 3 years |                 |
| Projects in progress               | 675.83                                             | 536.3         | 41.24         | 686.28            | 1,939.65        |
| Projects temporarily suspended     | –                                                  | –             | –             | –                 | –               |
| <b>Balance as at 31 March 2026</b> | <b>675.83</b>                                      | <b>536.30</b> | <b>41.24</b>  | <b>686.28</b>     | <b>1,939.65</b> |
| Projects in progress               | 562.83                                             | 41.24         | 465.61        | 220.67            | 1,290.35        |
| Projects temporarily suspended     | –                                                  | –             | –             | –                 | –               |
| <b>Balance as at 31 March 2025</b> | <b>562.83</b>                                      | <b>41.24</b>  | <b>465.61</b> | <b>220.67</b>     | <b>1,290.35</b> |

There are no projects where the completion is overdue or cost has exceeded when compared to its original plan.

### Note 3.3 : Other intangible assets

(₹ Lacs)

| Particulars                               | Computer software | Technical know-how | Brands & Licenses  | Total              |
|-------------------------------------------|-------------------|--------------------|--------------------|--------------------|
| <b>Cost:</b>                              |                   |                    |                    |                    |
| <b>Balance as at 1 April 2024</b>         | <b>8,847.15</b>   | <b>347.99</b>      | <b>33,979.75</b>   | <b>43,174.89</b>   |
| Additions                                 | 31.77             | –                  | –                  | 31.77              |
| Disposals                                 | –                 | –                  | –                  | –                  |
| Transfers/Capitalised                     | (23.00)           | –                  | –                  | (23.00)            |
| Other adjustments                         | 102.87            | –                  | 339.16             | 442.03             |
| <b>Balance as at 31 March 2025</b>        | <b>8,958.79</b>   | <b>347.99</b>      | <b>34,318.91</b>   | <b>43,625.69</b>   |
| <b>Balance as at 1 April 2025</b>         | <b>8,958.79</b>   | <b>347.99</b>      | <b>34,318.91</b>   | <b>43,625.69</b>   |
| Additions                                 | 4.09              | –                  | –                  | 4.09               |
| Disposals                                 | –                 | –                  | –                  | –                  |
| Transfers/Capitalised                     | –                 | –                  | –                  | –                  |
| Other adjustments                         | 422.81            | –                  | –                  | 422.81             |
| <b>Balance as at 31 March 2026</b>        | <b>9,385.69</b>   | <b>347.99</b>      | <b>34,318.91</b>   | <b>44,052.59</b>   |
| <b>Accumulated amortisation:</b>          |                   |                    |                    |                    |
| <b>Balance as at 1 April 2024</b>         | <b>(4,728.52)</b> | <b>(226.94)</b>    | <b>(33,951.82)</b> | <b>(38,907.28)</b> |
| Amortisation                              | (1,496.66)        | (32.42)            | (139.73)           | (1,668.81)         |
| Disposals                                 | –                 | –                  | –                  | –                  |
| Transfers/Capitalised                     | 23.00             | –                  | –                  | 23.00              |
| Other adjustments                         | (98.56)           | –                  | (227.36)           | (325.92)           |
| <b>Balance as at 31 March 2025</b>        | <b>(6,300.74)</b> | <b>(259.36)</b>    | <b>(34,318.91)</b> | <b>(40,879.01)</b> |
| <b>Balance as at 1 April 2025</b>         | <b>(6,300.74)</b> | <b>(259.36)</b>    | <b>(34,318.91)</b> | <b>(40,879.01)</b> |
| Amortisation                              | (1,221.53)        | (32.42)            | –                  | (1,253.95)         |
| Disposals                                 | –                 | –                  | –                  | –                  |
| Transfers/Capitalised                     | –                 | –                  | –                  | –                  |
| Other adjustments                         | (384.76)          | –                  | –                  | (384.76)           |
| <b>Balance as at 31 March 2026</b>        | <b>(7,907.03)</b> | <b>(291.78)</b>    | <b>(34,318.91)</b> | <b>(42,517.72)</b> |
| <b>Net book value as at 31 March 2026</b> | <b>1,478.66</b>   | <b>56.21</b>       | <b>–</b>           | <b>1,534.87</b>    |
| <b>Net book value as at 31 March 2025</b> | <b>2,658.05</b>   | <b>88.63</b>       | <b>–</b>           | <b>2,746.68</b>    |

#### Note 3.3.1 :

Other adjustments include exchange fluctuation arising on account of translation of foreign operations.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 4 : Goodwill

(₹ Lacs)

| Particulars                                     | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------|---------------------|---------------------|
| <b>Cost</b>                                     |                     |                     |
| Balance at beginning of year                    | 45,123.88           | 53,086.10           |
| Impairment of Goodwill*                         | –                   | (9,460.72)          |
| Effect of foreign currency exchange differences | 5,329.22            | 1,498.50            |
| <b>Balance at end of year</b>                   | <b>50,453.10</b>    | <b>45,123.88</b>    |

\*The Group was carrying goodwill of ₹ 9,460.72 Lacs in its books from the acquisition of license rights with respect to the certain brands. The Group has decided not to renew its license rights and accordingly, the Group has recognized an impairment loss for the entire goodwill amount of ₹ 9,460.72 Lacs during the previous year as an exceptional item.

#### i) Impairment tests for goodwill

Goodwill acquired through business combination pertains to the Textile Segment which is the only reportable segment.

(₹ Lacs)

| Particulars     | As at 31 March 2026 | As at 31 March 2025 |
|-----------------|---------------------|---------------------|
| Textile Segment | 50,453.10           | 45,123.88           |

#### ii) Significant estimate: Key assumptions used for value-in-use calculations

The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations on a discounted cash flow method which require the use of assumptions. Management prepare forecast for a period of five years and applies perpetuity growth rate of 2.5% from 5th year onwards. The calculations use cash flow projections calculated using the estimated growth and pre-tax discount rates stated below.

The following table sets out the key assumptions for the CGU that have significant goodwill allocated to them:

| Assumptions                         | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------|---------------------|---------------------|
| Sales Growth (% annual growth rate) | 12% - 15%           | 8% - 12%            |
| EBITDA Growth (%)                   | 7% - 10%            | 8% - 13%            |
| Pre-tax discount rate (%)           | 10.90%              | 9.50%               |

Management has determined the values assigned to each of the above key assumptions as follows:

| Assumption                | Approach used for determining values                                                                                            |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Sales Growth              | Average annual growth rate over the forecasted period; based on past performance and management's expectations for the future.  |
| EBITDA (%)                | Based on past performance and management's expectations for the future.                                                         |
| Pre-tax discount rate (%) | Reflect specific risks relating to the relevant segment and the country in which it operates and company specific risk premium. |

### Note 5 : Investments

(₹ Lacs)

| Particulars                                                                                                | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Note 5A : Non-current investments</b>                                                                   |                     |                     |
| <b>Associate Company (unquoted investments) at cost unless stated otherwise</b>                            |                     |                     |
| AMPIN Energy C&I Twenty Four Private Limited (Associate)*                                                  | 572.75              | 572.75              |
| Equity shares of INR 10 each fully paid up<br>[No. of shares: 57,27,500 (As at 31 March 2025 : 57,27,500)] |                     |                     |
| Add: Loss on share of Associate                                                                            | (51.13)             | (23.80)             |
| <b>Total</b>                                                                                               | <b>521.62</b>       | <b>548.95</b>       |

\*Refer note 36

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

|                                                                       |               |               |
|-----------------------------------------------------------------------|---------------|---------------|
| <b>Unquoted - Investments carried at cost unless stated otherwise</b> |               |               |
| Investments in equity instruments (refer note 5A.1)                   |               |               |
| Isharays Energy One Private Limited                                   | 400.00        | 400.00        |
| Equity shares of INR 10 each fully paid up                            |               |               |
| [No. of shares: 40,00,000 (As at 31 March 2025 : 40,00,000)]          |               |               |
| Investments in equity instruments (refer note 5A.1)                   | 23.80         | 24.65         |
| <b>Total</b>                                                          | <b>945.42</b> | <b>973.60</b> |

### Note 5A.1: Details of investments

(₹ Lacs)

| Particulars                                                                                  | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Investment in equity instruments</b>                                                      |                     |                     |
| Industria e Universita S.r.l. (No. of shares : 13,005,000 (As at 31 March 2025: 13,005,000)) | 23.80               | 24.65               |
| <b>Total</b>                                                                                 | <b>23.80</b>        | <b>24.65</b>        |
| Aggregate value of unquoted investments                                                      | 945.42              | 973.60              |

### Note 5B: Current investments

(₹ Lacs)

| Particulars                                                                                 | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Investments in equity instruments (Unquoted - at fair value through profit and loss)</b> |                     |                     |
| Atria Wind Power (Chitradurga) Private Limited                                              | 170.99              | 170.99              |
| Equity shares of INR 251 each fully paid up                                                 |                     |                     |
| [No. of shares: 68,123 (As at 31 March 2025 : 68,123)]                                      |                     |                     |
| Atria Wind Power (Basavana Bagewadi) Private Limited                                        | 0.92                | 0.92                |
| Equity shares of INR 193.28 each fully paid up                                              |                     |                     |
| [No. of shares: 478 (As at 31 March 2025 : 478)]                                            |                     |                     |
| <b>Total</b>                                                                                | <b>171.91</b>       | <b>171.91</b>       |
| Aggregate value of unquoted investments                                                     | 171.91              | 171.91              |

### Note 6 : Loans

(₹ Lacs)

| Particulars                       | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------|---------------------|---------------------|
| <b>Current</b>                    |                     |                     |
| <b>Unsecured, considered good</b> |                     |                     |
| Loans to employees                | 26.85               | 140.60              |
| <b>Total</b>                      | <b>26.85</b>        | <b>140.60</b>       |

### Note 7 : Other financial assets

(₹ Lacs)

| Particulars                                                            | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------|---------------------|---------------------|
| <b>Non-current</b>                                                     |                     |                     |
| <b>Unsecured, considered good</b>                                      |                     |                     |
| Fixed deposits with banks with maturity period more than twelve months | –                   | 5.06                |
| Electricity deposits                                                   | 2,052.48            | 2,052.48            |
| Other deposits                                                         | 902.79              | 817.96              |
| <b>Total</b>                                                           | <b>2,955.27</b>     | <b>2,875.50</b>     |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

|                                                                                                   |                  |                  |
|---------------------------------------------------------------------------------------------------|------------------|------------------|
| <b>Current</b>                                                                                    |                  |                  |
| <b>Unsecured, considered good</b>                                                                 |                  |                  |
| Interest subsidy receivable [net of credit impaired ₹ 694.42 Lacs (31 March 2025: ₹ 694.42 Lacs)] | 2,379.62         | 2,379.62         |
| Subsidy receivable under various government schemes                                               | 21,187.40        | 21,433.82        |
| Interest receivable                                                                               | 187.58           | 185.53           |
| Security deposits                                                                                 | 196.14           | 176.57           |
| Other receivables                                                                                 | 35,734.32        | 24,911.78        |
| Derivative assets - foreign exchange forward contracts                                            | –                | 466.04           |
| <b>Total</b>                                                                                      | <b>59,685.06</b> | <b>49,553.36</b> |

### Note 8 : Tax assets and liabilities

#### Note 8 (A) : Income tax assets and liabilities

(₹ Lacs)

| Particulars                                                     | As at 31 March 20256 | As at 31 March 2025 |
|-----------------------------------------------------------------|----------------------|---------------------|
| <b>Non-current income tax assets</b>                            |                      |                     |
| Advance tax and taxes deducted at source                        | 22,689.02            | 22,689.02           |
| Less: Provisions related to the above                           | (21,175.00)          | (21,175.00)         |
| <b>Income tax assets (net)</b>                                  | <b>1,514.02</b>      | <b>1,514.02</b>     |
| <b>Current tax liabilities</b>                                  |                      |                     |
| Income tax provisions                                           | 16,469.95            | 15,198.28           |
| Less: Advance tax and taxes deducted at source related to above | (12,803.54)          | (12,719.98)         |
| <b>Current tax liabilities (net)</b>                            | <b>3,666.41</b>      | <b>2,478.30</b>     |

#### Note 8 (B) : Deferred tax liabilities (net)\*

The following is the analysis of the net deferred tax asset/(liability) position as presented in the financial statements

(₹ Lacs)

| Particulars                                                                             | As at 31 March 20256 | As at 31 March 2025 |
|-----------------------------------------------------------------------------------------|----------------------|---------------------|
| <b>Deferred tax liabilities</b>                                                         |                      |                     |
| Property, plant and equipment and other intangible assets                               | 23,805.65            | 24,191.59           |
| Cash flow hedge                                                                         | –                    | 73.19               |
| Other temporary differences                                                             | 3,797.34             | –                   |
| <b>Total deferred tax liabilities (A)</b>                                               | <b>27,602.99</b>     | <b>24,264.78</b>    |
| <b>Deferred tax assets</b>                                                              |                      |                     |
| Provision for gratuity and compensated absences                                         | 925.35               | 1,105.42            |
| Cash flow hedge                                                                         | 914.93               | –                   |
| Leases                                                                                  | 161.79               | 161.79              |
| Minimum alternate tax (MAT) credit entitlement                                          | 16,335.45            | 14,922.45           |
| Other temporary differences (including delayed payments to MSME vendors and provisions) | 6,679.38             | 7,641.25            |
| <b>Total deferred tax assets (B)</b>                                                    | <b>25,016.90</b>     | <b>23,830.91</b>    |
| <b>Net deferred tax liability (A – B)</b>                                               | <b>2,586.09</b>      | <b>433.87</b>       |
| *Refer note 33                                                                          |                      |                     |
| <b>Deferred tax presentation in balance sheet comprises of:</b>                         |                      |                     |
| Deferred tax liabilities, (net) (C)                                                     | 4,762.51             | 2,243.29            |
| Deferred tax assets, (net) (D)                                                          | 2,176.42             | 1,809.42            |
| <b>Net deferred tax liability (C – D)</b>                                               | <b>2,586.09</b>      | <b>433.87</b>       |



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 9 : Other assets

(₹ Lacs)

| Particulars                                                    | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------|---------------------|---------------------|
| <b>Non-current</b>                                             |                     |                     |
| Capital advances                                               | 765.32              | 1,758.96            |
| Contract acquisition costs (refer note 22.5)                   | 551.97              | 2,159.86            |
| Others                                                         | 90.00               | 66.69               |
| <b>Total</b>                                                   | <b>1,407.29</b>     | <b>3,985.51</b>     |
| <b>Current</b>                                                 |                     |                     |
| Advances to suppliers                                          | 1,531.29            | 1,204.38            |
| Balances with government authorities (other than income taxes) | 5,058.20            | 8,431.38            |
| Subsidy receivable under various government schemes            | 8,627.65            | 9,308.48            |
| Prepaid expenses                                               | 1,053.06            | 1,030.78            |
| Contract acquisition costs (refer note 22.5)                   | 1,645.61            | 2,055.08            |
| Others                                                         | 169.70              | 93.57               |
| <b>Total</b>                                                   | <b>18,085.51</b>    | <b>22,123.67</b>    |

### Note 10: Inventories

(valued at lower of cost and net realizable value)\*

(₹ Lacs)

| Particulars                              | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------|---------------------|---------------------|
| Raw materials and packing materials      | 6,508.59            | 4,515.28            |
| Work-in-progress                         | 38,125.65           | 37,485.66           |
| Finished goods                           | 76,161.94           | 56,678.74           |
| Stores and spares                        | 1,575.78            | 2,070.49            |
| <b>Total</b>                             | <b>1,22,371.96</b>  | <b>1,00,750.17</b>  |
| * Refer note 19.2                        |                     |                     |
| <b>Included above, goods-in-transit:</b> |                     |                     |
| Work-in-progress                         | 5,619.07            | 6,036.25            |
| Finished goods                           | 30,939.54           | 34,486.82           |
| <b>Total</b>                             | <b>36,558.61</b>    | <b>40,523.07</b>    |

### Note 11 : Trade receivables

(₹ Lacs)

| Particulars                              | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------|---------------------|---------------------|
| <b>Current</b>                           |                     |                     |
| Unsecured, considered good               | 1,19,168.74         | 1,08,668.87         |
| Trade receivables - credit impaired      | 4,475.03            | 2,961.52            |
|                                          | <b>1,23,643.77</b>  | <b>1,11,630.39</b>  |
| Less: Allowance for expected credit loss | (4,475.03)          | (2,961.52)          |
| <b>Net Trade receivables</b>             | <b>1,19,168.74</b>  | <b>1,08,668.87</b>  |

#### Note 11.1: Bill discounting:

At the end of the reporting period, the carrying amount of the trade receivables that have been discounted (with recourse) but have not been derecognized amounted to ₹14,979.29 Lacs (31 March 2025: ₹20,121.44 Lacs) and associated liability has been disclosed as bill discounting (refer note 19).



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 11.2: Expected credit loss assessment for trade receivables as at 31 March 2026 and 31 March 2025 are as follows:

The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on past and the recent collection trend. The movement in allowance for credit loss in respect of trade and other receivables are as follows–

| (₹ Lacs)                                           |                     |                     |
|----------------------------------------------------|---------------------|---------------------|
| Particulars                                        | As at 31 March 2026 | As at 31 March 2025 |
| Balance as at beginning of the year                | 2,961.52            | 1,451.48            |
| Change in allowance for expected credit loss (net) | 1,370.79            | 1,555.69            |
| Foreign exchange differences                       | 142.72              | (45.65)             |
| <b>Balance at end of the year</b>                  | <b>4,475.03</b>     | <b>2,961.52</b>     |

The Group's exposure to credit and currency risk and loss allowances related to trade receivables has been disclosed in note 35.

### Note 11.3: Trade receivables ageing schedule

As at 31 March 2026

(₹ Lacs)

| Particulars                                                                   | Outstanding for following periods from due date of payment |                    |                  |                 |              |                   | Total             |
|-------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|------------------|-----------------|--------------|-------------------|-------------------|
|                                                                               | Not due                                                    | Less than 6 months | 6 months -1 year | 1 -2 years      | 2 -3 years   | More than 3 years |                   |
| Undisputed Trade receivables - considered good                                | 52,773.87                                                  | 36,165.95          | 25,983.05        | 3,361.62        | 36.63        | 100.47            | 118,421.59        |
| Undisputed Trade Receivables - which have significant increase in credit risk | –                                                          | –                  | –                | –               | –            | –                 | –                 |
| Undisputed Trade Receivables - credit impaired                                | –                                                          | 173.08             | 1,650.07         | 1,417.84        | 61.12        | 221.40            | 3,523.51          |
| Disputed Trade Receivables - considered good                                  | –                                                          | –                  | –                | –               | –            | 747.15            | 747.15            |
| Disputed Trade Receivables - which have significant increase in credit risk   | –                                                          | –                  | –                | –               | –            | –                 | –                 |
| Disputed Trade Receivables - credit impaired                                  | –                                                          | –                  | –                | –               | –            | 951.52            | 951.52            |
| <b>Total</b>                                                                  | <b>52,773.87</b>                                           | <b>36,339.03</b>   | <b>27,633.12</b> | <b>4,779.46</b> | <b>97.75</b> | <b>2,020.54</b>   | <b>123,643.77</b> |
| Less: Allowance for expected credit loss                                      |                                                            |                    |                  |                 |              |                   | (4,475.03)        |
| <b>Net Trade receivables</b>                                                  |                                                            |                    |                  |                 |              |                   | <b>119,168.74</b> |

As at 31 March 2025

(₹ Lacs)

| Particulars                                                                   | Outstanding for following periods from due date of payment |                    |                  |                 |               |                   | Total             |
|-------------------------------------------------------------------------------|------------------------------------------------------------|--------------------|------------------|-----------------|---------------|-------------------|-------------------|
|                                                                               | Not due                                                    | Less than 6 months | 6 months -1 year | 1 -2 years      | 2 -3 years    | More than 3 years |                   |
| Undisputed Trade receivables - considered good                                | 63,177.90                                                  | 26,161.50          | 17,326.19        | 1,025.88        | 51.56         | 130.61            | 107,873.64        |
| Undisputed Trade Receivables - which have significant increase in credit risk | –                                                          | –                  | –                | –               | –             | –                 | –                 |
| Undisputed Trade Receivables - credit impaired                                | –                                                          | 130.30             | 1,317.09         | 349.77          | 55.50         | 157.34            | 2,010.00          |
| Disputed Trade Receivables - considered good                                  | –                                                          | –                  | –                | –               | 254.82        | 540.41            | 795.23            |
| Disputed Trade Receivables - which have significant increase in credit risk   | –                                                          | –                  | –                | –               | –             | –                 | –                 |
| Disputed Trade Receivables - credit impaired                                  | –                                                          | –                  | –                | –               | 424.62        | 526.90            | 951.52            |
| <b>Total</b>                                                                  | <b>63,177.90</b>                                           | <b>26,291.80</b>   | <b>18,643.28</b> | <b>1,375.65</b> | <b>786.50</b> | <b>1,355.26</b>   | <b>111,630.39</b> |
| Less: Allowance for expected credit loss                                      |                                                            |                    |                  |                 |               |                   | (2,961.52)        |
| <b>Net Trade receivables</b>                                                  |                                                            |                    |                  |                 |               |                   | <b>108,668.87</b> |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 12A : Cash and cash equivalents

(₹ Lacs)

| Particulars                                                                     | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Cash and cash equivalents consist of</b>                                     |                     |                     |
| Cash on hand                                                                    | 3.79                | 5.57                |
| Balance with banks                                                              |                     |                     |
| – in current accounts                                                           | 3,659.64            | 1,638.56            |
| – in deposit accounts (with original maturity period of less than three months) | 1,002.13            | 5,419.42            |
| <b>Total</b>                                                                    | <b>4,665.56</b>     | <b>7,063.55</b>     |

### Note 12B : Bank balances other than cash and cash equivalents

(₹ Lacs)

| Particulars                                                                                        | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Other bank balances (refer note 12.1)                                                              | 56.21               | 36.33               |
| Deposits with banks with remaining maturity of more than three months but less than twelve months* | 3,009.71            | 4,370.78            |
| <b>Total</b>                                                                                       | <b>3,065.92</b>     | <b>4,407.11</b>     |

**Note 12.1 :** Other bank balances represent earmarked balances in respect of unpaid dividends.

\*Includes deposits of ₹ 422.27 Lacs (31 March 2025 ₹ 610.35 Lacs) as a lien to secure bank guarantee and letter of credit.

### Note 13: Assets held for sale

(₹ Lacs)

| Particulars                 | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------|---------------------|---------------------|
| Buildings (refer note 13.1) | –                   | 8,782.13            |
| <b>Total</b>                | <b>–</b>            | <b>8,782.13</b>     |

**Note 13.1:** The Group has reassessed the use of certain assets for business purposes which were earlier classified as 'Assets held for sale'. Consequently, in accordance with the provisions of Ind AS 105, the Group has now reclassified these assets as property, plant and equipment at its carrying amount before the assets were classified as held for sale, adjusted for any depreciation that would have been recognised had the asset not been classified as held for sale, in the consolidated financial results. This has resulted in an additional charge of depreciation for ₹ 2057.89 lakhs in these consolidated financials.

### Note 14 : Equity share capital

(₹ Lacs)

| Particulars                                                                                     | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Authorised*</b>                                                                              |                     |                     |
| 22,00,00,000 equity shares (31 March 2025: 15,00,00,000 equity shares) of par value of ₹ 5 each | 11,000.00           | 7,500.00            |
| <b>Issued</b>                                                                                   |                     |                     |
| 12,57,81,289 equity shares (31 March 2025: 12,57,81,289 equity shares) of par value of ₹ 5 each | 6,289.06            | 6,289.06            |
| <b>Subscribed and fully paid-up</b>                                                             |                     |                     |
| 12,57,42,289 equity shares (31 March 2025: 12,57,42,289 equity shares) of par value of ₹ 5 each | 6,287.11            | 6,287.11            |

\*Pursuant to ordinary resolution passed in annual general meeting held on 26th September 2025, the Holding Company increased its authorised share capital from ₹ 7,500 Lacs (equity shares 15,00,00,000) to ₹ 11,000 Lacs (equity shares 22,00,00,000).

### Reconciliation of shares outstanding at the beginning and at the end of the reporting period

| Particulars                                      | As at 31 March 2026 |                 | As at 31 March 2025 |                 |
|--------------------------------------------------|---------------------|-----------------|---------------------|-----------------|
|                                                  | Number of shares    | Amount (₹ Lacs) | Number of shares    | Amount (₹ Lacs) |
| At the commencement of the year                  | 12,57,42,289        | 6,287.11        | 9,84,57,160         | 4,922.86        |
| Fully paid equity shares issued during the year* | –                   | –               | 27,285,129          | 1,364.25        |
| <b>At the end of the year</b>                    | <b>12,57,42,289</b> | <b>6,287.11</b> | <b>12,57,42,289</b> | <b>6,287.11</b> |

\*During the previous year, the Holding Company has raised money by the way of Qualified Institutions Placement ('QIP') and allotted 2,72,85,129 equity shares of face value ₹ 5/- each to the eligible qualified institutional buyers (QIB) at a price of ₹ 146.60 per equity share (including a premium of ₹ 141.60 per share) aggregating to ₹ 40,000 Lacs on October 30, 2024. The issue was made in accordance SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Expenses incurred in relation to QIP includes ₹ 2,306.36 Lacs which has been adjusted from Securities Premium Account (refer note 15).



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

Proceeds from Qualified Institutions Placement ('QIP') made during the previous year ended 31 March 2025 have been utilised in the following manner:

(₹ Lacs)

| Particulars                                                                                                 | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Opening unutilised amount                                                                                   | 3,836                  | –                      |
| Proceeds from issue of shares during the year                                                               | –                      | 40,000.00              |
| <b>-Utilisation during the year:</b>                                                                        |                        |                        |
| i) Issue related expenses                                                                                   | –                      | 2,240.00               |
| ii) Expenses towards general corporate purposes                                                             | –                      | 7,760.00               |
| iii) Repayment and / or prepayment in full or in part, of certain borrowings availed by the Holding Company | 3,836.00               | 26,164.00              |
| <b>Total amount utilised</b>                                                                                | <b>3,836.00</b>        | <b>36,164.00</b>       |
| -Unutilised amount during the year                                                                          | –                      | 3,836.00               |

### Rights, preferences and restrictions attached to equity shares:

The Holding Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Holding Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Holding Company.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive any of the remaining asset of the Holding Company after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Holding Company has not allotted any fully paid equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

### Details of shareholders holding more than 5% of equity shares in the Holding Company

| Particulars                      | As at 31 March 2026 |              | As at 31 March 2025 |              |
|----------------------------------|---------------------|--------------|---------------------|--------------|
|                                  | Number of shares    | % of holding | Number of shares    | % of holding |
| <b>Equity shares of ₹ 5 each</b> |                     |              |                     |              |
| Dinesh Kumar Himatsingka         | 1,19,02,000         | 9.47%        | 1,19,02,000         | 9.47%        |
| Shrikant Himatsingka             | 85,46,964           | 6.80%        | 85,46,964           | 6.80%        |

### Details of shareholding of promoters in the equity share capital of the Holding Company

| Promoters name                         | As at 31 March 2026 |                   |                          | As at 31 March 2025 |                   |                          |
|----------------------------------------|---------------------|-------------------|--------------------------|---------------------|-------------------|--------------------------|
|                                        | Number of shares    | % of total shares | % Change during the year | Number of shares    | % of total shares | % Change during the year |
| Dinesh Kumar Himatsingka               | 1,19,02,000         | 9.47%             | 0.00%                    | 1,19,02,000         | 9.47%             | -2.62%                   |
| Shrikant Himatsingka                   | 85,46,964           | 6.80%             | 0.00%                    | 85,46,964           | 6.80%             | -1.88%                   |
| Bihar Mercantile Union Private Limited | 62,68,234           | 4.98%             | 0.00%                    | 62,68,234           | 4.98%             | -1.38%                   |
| Rajshree Himatsingka                   | 58,97,260           | 4.69%             | 0.00%                    | 58,97,260           | 4.69%             | -1.30%                   |
| Awdhan Trading Company Limited         | 41,28,736           | 3.28%             | 0.00%                    | 41,28,736           | 3.28%             | -0.91%                   |
| Orient Silk Private Limited            | 34,34,768           | 2.73%             | 0.00%                    | 34,34,768           | 2.73%             | -0.76%                   |
| Aditya Resources Limited               | 32,97,470           | 2.62%             | 0.00%                    | 32,97,470           | 2.62%             | -0.73%                   |
| Priya Resources Private Limited        | 31,21,360           | 2.48%             | 0.00%                    | 31,21,360           | 2.48%             | -0.69%                   |
| Priyadarshini Himatsingka              | 2,37,800            | 0.19%             | 0.00%                    | 2,37,800            | 0.19%             | -0.05%                   |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Disclosure of shareholding of promoter group in the equity share capital of the Company

| Promoters name  | As at 31 March 2026 |                   |                          | As at 31 March 2025 |                   |                          |
|-----------------|---------------------|-------------------|--------------------------|---------------------|-------------------|--------------------------|
|                 | Number of shares    | % of total shares | % Change during the year | Number of shares    | % of total shares | % Change during the year |
| Jayshree Poddar | 2,88,400            | 0.23%             | 0.00%                    | 2,88,400            | 0.23%             | -0.14%                   |
| Shyama Poddar   | 4,982               | 0.00%             | 0.00%                    | 5,000               | 0.00%             | -0.02%                   |
| Sarala Jalan    | 1,480               | 0.00%             | 0.00%                    | 1,480               | 0.00%             | 0.00%                    |

### Note 15 : Other Equity

(₹ Lacs)

| Particulars                                            | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------------------------------------|---------------------|---------------------|
| Capital reserve on consolidation (refer note 15.1)     | 66.74               | 66.74               |
| Capital reserve (refer note 15.2)                      | 620.88              | 620.88              |
| Securities premium (refer note 15.3)                   | 64,005.09           | 64,005.09           |
| General reserve (refer note 15.4)                      | 17,270.17           | 17,270.17           |
| Legal reserve (refer note 15.5)                        | 11.84               | 10.47               |
| Retained earnings (refer note 15.6)                    | 106,083.29          | 100,504.84          |
| <b>Reserves and Surplus</b>                            | <b>188,058.01</b>   | <b>182,478.19</b>   |
| Effective portion of cash flow hedge (refer note 15.7) | (2,813.53)          | 136.68              |
| Foreign currency translation reserve (refer note 15.8) | 22,542.00           | 14,371.46           |
| <b>Other comprehensive income</b>                      | <b>19,728.47</b>    | <b>14,508.14</b>    |
| <b>Total</b>                                           | <b>207,786.48</b>   | <b>196,986.33</b>   |

#### Notes:

**15.1** capital reserve on consolidation represents the excess of the Group's share in the net assets of certain subsidiaries over the cost of investment at the time of acquisition.

**15.2** Any profit or loss on purchase, sale, issue or cancellation of the equity instruments is transferred to capital reserves. The reserve is not available for distribution.

**15.3** Amounts received on issue of shares in excess of the par value have been classified as securities premium. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**15.4** This represents appropriation of profit by the Group. General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

**15.5** Legal reserve represents the reserve as mandated by the Italian Civil Code. The same will be utilized for the purposes as permitted by the Italian Civil Code.

**15.6** Retained earnings comprises of the Group's undistributed earnings after taxes. The amount can be distributed by the Group as dividends to its equity shareholders.

**15.7** The Effective portion of cash flow hedge represents effective portion of gains or losses (net of taxes, if any) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to the consolidated statement of profit and loss when the hedged items (sales of goods) affects profit or loss.

**15.8** Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

(₹ Lacs)

| Particulars                             | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------------|---------------------|---------------------|
| <b>Legal reserve</b>                    |                     |                     |
| Opening balance                         | 10.47               | 9.90                |
| Add/(Less): Foreign exchange difference | 1.37                | 0.57                |
| <b>Total</b>                            | <b>11.84</b>        | <b>10.47</b>        |





## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

| Particulars                                                                                                                                                                                                                                                                                                                                                   | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Securities premium</b>                                                                                                                                                                                                                                                                                                                                     |                     |                     |
| Opening balance                                                                                                                                                                                                                                                                                                                                               | 64,005.09           | 27,675.71           |
| Add: Securities premium on issue of equity shares                                                                                                                                                                                                                                                                                                             | –                   | 38,635.77           |
| Less: Equity fund raising expenses                                                                                                                                                                                                                                                                                                                            | –                   | (2,306.39)          |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                  | <b>64,005.09</b>    | <b>64,005.09</b>    |
| <b>Retained earnings</b>                                                                                                                                                                                                                                                                                                                                      |                     |                     |
| Opening balance                                                                                                                                                                                                                                                                                                                                               | 1,00,504.84         | 92,935.79           |
| Add: Profit / (loss) for the year                                                                                                                                                                                                                                                                                                                             | 6,196.19            | 7,604.03            |
| Add: Items of OCI recognised directly in retained earnings                                                                                                                                                                                                                                                                                                    |                     |                     |
| Re-measurements of defined employee benefit plan                                                                                                                                                                                                                                                                                                              | (100.15)            | 211.16              |
| Less: Payment of dividends*                                                                                                                                                                                                                                                                                                                                   | (517.59)            | (246.14)            |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                  | <b>1,06,083.29</b>  | <b>1,00,504.84</b>  |
| * The Holding Company has proposed dividend of ₹ 0.25 per share for the financial year 2025-26 after the reporting date which is subject to approval of the share holders at the annual general meeting. Such dividend has not been recognised as liabilities at year end. (31 March 2025: Final dividend of ₹ 0.25 per share for the financial year 2024-25) |                     |                     |
| <b>Effective portion of cash flow hedge</b>                                                                                                                                                                                                                                                                                                                   |                     |                     |
| Opening balance                                                                                                                                                                                                                                                                                                                                               | 136.68              | 128.38              |
| Effective portion of gain / (loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges recognised in cash flow hedge reserve                                                                                                                                                                      | (5,563.22)          | (451.85)            |
| Cumulative (gain) / loss reclassified to profit or loss                                                                                                                                                                                                                                                                                                       | 1,624.76            | 464.60              |
| Income tax related to net gain / (loss) recognised in other comprehensive income                                                                                                                                                                                                                                                                              | 988.25              | (4.45)              |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                  | <b>(2,813.53)</b>   | <b>136.68</b>       |
| <b>Foreign currency translation reserve</b>                                                                                                                                                                                                                                                                                                                   |                     |                     |
| Opening balance                                                                                                                                                                                                                                                                                                                                               | 14,371.46           | 12,264.55           |
| Other Comprehensive Income for the year, net of tax                                                                                                                                                                                                                                                                                                           | 8,170.54            | 2,106.91            |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                  | <b>22,542.00</b>    | <b>14,371.46</b>    |

### Note 16: Non current borrowings

(₹ Lacs)

| Particulars                                                                                                  | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Secured loans: (refer note 16.1)</b>                                                                      |                     |                     |
| <b>Term loans</b>                                                                                            |                     |                     |
| From banks                                                                                                   | 34,005.27           | 35,911.07           |
| From financial institutions                                                                                  | 33,362.33           | 46,205.86           |
| <b>Non Convertible Debentures</b>                                                                            |                     |                     |
| 6,250, redeemable, non convertible debentures (NCD), of face value ₹ 10,00,000 each. (31 March 2025 : 4,600) | 50,577.05           | 42,643.28           |
| <b>Unsecured loans: (refer note 16.1)</b>                                                                    |                     |                     |
| Foreign currency convertible bonds (FCCB)                                                                    | 11,753.73           | 10,598.98           |
| <b>Total</b>                                                                                                 | <b>1,29,698.38</b>  | <b>1,35,359.19</b>  |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 16.1 : Details of non-current borrowings and current maturities of non-current borrowings

(₹ Lacs)

| Particulars                       | As at 31 March 2026 |           | As at 31 March 2025 |          | Nature of security                                                                                                                                                                                                                   | Repayment/ redemption / other terms                                                                                                                                                                                                                                        |
|-----------------------------------|---------------------|-----------|---------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                   | Non-Current         | Current   | Non-Current         | Current  |                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                            |
| i) Term loans from bank (secured) |                     |           |                     |          |                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                            |
| Loan 1                            | 5,583.77            | 1,538.29  | 7,109.88            | 307.65   | First paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                  | Loan shall be repaid in 39 structured quarterly installments commencing from 31 December 2019. As of 31 March 2026, 15 installments remained outstanding.                                                                                                                  |
| Loan 2                            | -                   | -         | 3.01                | -        | Secured by the asset owned by Himatsingka America Inc.                                                                                                                                                                               | a) USD 0.55 Lacs is repayable in 48 monthly installments. The loan is fully repaid during the year ended 31 March 2024. b) USD 1.46 Lacs is repayable in 48 monthly installments commencing from April 2021. The loan is fully repaid during the year ended 31 March 2026. |
| Loan 3                            | 2,542.23            | 1,240.64  | 3,313.41            | 187.50   | First paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                  | Loan shall be repaid in 28 quarterly installments commencing from post completion of moratorium period of 12 months. As of 31 March 2026, 15 installments remained outstanding.                                                                                            |
| Loan 4                            | 1,355.84            | 797.51    | 2,142.29            | 200.00   | First paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                  | Loan shall be repaid in 24 quarterly installments commencing from post completion of initial moratorium period of 12 months. As of 31 March 2026, 11 installments remained outstanding.                                                                                    |
| Loan 5                            | 3,488.64            | 1,908.00  | 5,365.96            | 1,538.00 | First paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                  | Loan amount of ₹ 6,000 Lacs shall be repaid in 27 quarterly installments commencing from July 2022. As of 31 March 2026, 12 installments remained outstanding.                                                                                                             |
|                                   |                     |           |                     |          |                                                                                                                                                                                                                                      | Loan amount of ₹ 4,000 Lacs shall be repaid in 21 quarterly installments commencing from August 2023. As of 31 March 2026, 10 installments remained outstanding.                                                                                                           |
| Loan 6                            | 6,565.53            | 2,291.25  | 8,566.83            | 403.89   | First paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                  | Loan shall be repaid in 32 quarterly installments commencing from September 2022. As of 31 March 2026, 15 installments remained outstanding.                                                                                                                               |
| Loan 7                            | 5,360.11            | 1,867.40  | 6,986.42            | 325.92   | First paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                  | Loan shall be repaid in 32 quarterly installments commencing from September 2022. As of 31 March 2026, 15 installments remained outstanding.                                                                                                                               |
| Loan 8                            | -                   | 2,437.73  | 2,423.27            | 2,025.14 | First paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                  | Loan shall be repaid in 18 structured quarterly installments commencing after 6 months from the date of disbursement. As of 31 March 2026, 3 installments remained outstanding.                                                                                            |
| Loan 9                            | -                   | 3,320.83  | -                   | -        | First paripassu charge on Inventory and Book debts<br>Second paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                           | Loan shall be repaid in 06 quarterly installments commencing from October 2025. As of 31 March 2026, 4 installments remained outstanding.                                                                                                                                  |
| Loan 10                           | 4,975.17            | -         | -                   | -        | Second paripassu charge on Inventory and Book debts<br>Second paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                          | Loan shall be repaid in 36 monthly installments commencing from post completion of moratorium period of 12 months. As of 31 March 2026, 36 installments remained outstanding.                                                                                              |
| Loan 11                           | 4,133.98            | 600.00    | -                   | -        | First paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.<br>Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan | Loan shall be repaid in 10 quarterly installments commencing after 1 year from the date of disbursement. As of 31 March 2026, 10 installments remained outstanding.                                                                                                        |
| Total                             | 34,005.27           | 16,001.65 | 35,911.07           | 4,988.10 |                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                            |

The rate of interest on the above term loans is in the range of 8.92% to 14.04% (31 March 2025 : 7.56% to 12.52%)





## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 16.1 : Details of non-current borrowings and current maturities of non-current borrowings

(₹ Lacs)

| Particulars                                        | As at 31 March 2026 |          | As at 31 March 2025 |          | Nature of security                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Repayment/ redemption / other terms                                                                                                                                                                                                                                          |
|----------------------------------------------------|---------------------|----------|---------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                    | Non-Current         | Current  | Non-Current         | Current  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                              |
| ii) Term loan from financial institution (secured) |                     |          |                     |          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                              |
| Loan 1                                             | 2,096.28            | 2,277.91 | 4,906.19            | 704.39   | First paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future. Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan.                                                                                                                                                                                                                                                                                                                                                                                                                                           | 41 substantially equal quarterly installments commencing after a moratorium of 1 year from Scheduled Commercial Operation Date (SCOD) or Actual Commercial Operation Date (COD) which ever is earlier. As of 31 March 2026, 6 installments remained outstanding.             |
| Loan 2                                             | 9,235.25            | 3,958.05 | 13,873.56           | 1,162.00 | First paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future. Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan.                                                                                                                                                                                                                                                                                                                                                                                                                                           | Loan shall be repaid in 39 structured quarterly installments commencing after a moratorium of 12 months from the Scheduled Commercial Operation date (or) actual Commercial Operation date which ever is earlier. As of 31 March 2026, 11 installments remained outstanding. |
| Loan 3                                             | -                   | -        | -                   | 1,629.22 | First paripassu charge on the movable and immovable properties located at Hassan and Doddaballapur plant including proposed project assets present and future. Further corporate guarantee is provided by Himatsingka Seide Limited for this loan.                                                                                                                                                                                                                                                                                                                                                                                                                           | Loan shall be repaid in 20 structured quarterly installments commencing after a moratorium of 2 years from the date of first disbursement. The loan is fully repaid during the year ended 31 March 2026.                                                                     |
| Loan 4                                             | -                   | 1.90     | 5.54                | 45.02    | Secured by the asset which is taken under this facility.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Loan shall be repaid in 21 structured quarterly installments commencing from April 2021. As of 31 March 2026, 1 installments remained outstanding.                                                                                                                           |
| Loan 5                                             | -                   | 12.03    | -                   | 45.98    | Secured by the asset which is taken under this facility.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Loan shall be repaid in 20 structured quarterly installments commencing from April 2021. The outstanding term as of 31 March 2026 was 1 installments.                                                                                                                        |
| Loan 6                                             | -                   | 3.31     | 3.31                | 8.77     | Secured by the asset which is taken under this facility.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Loan shall be repaid in 21 structured quarterly installments commencing from August 2021. As of 31 March 2026, 2 installments remained outstanding.                                                                                                                          |
| Loan 7                                             | -                   | 13.75    | 13.75               | 60.81    | Secured by the asset which is taken under this facility.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Loan shall be repaid in 21 structured quarterly installments commencing from June 2021. As of 31 March 2026, 1 installments remained outstanding.                                                                                                                            |
| Loan 8                                             | -                   | 19.81    | 19.81               | 62.92    | Secured by the asset which is taken under this facility.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Loan shall be repaid in 21 structured quarterly installments commencing from July 2021. As of 31 March 2026, 2 installments remained outstanding.                                                                                                                            |
| Loan 9                                             | 3.50                | 9.76     | 13.26               | 15.35    | Secured by the asset which is taken under this facility.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Loan shall be repaid in 60 structured Monthly installments commencing from November 2021. As of 31 March 2026, 7 installments remained outstanding.                                                                                                                          |
| Loan 10                                            | 2,930.50            | 2,171.89 | 4,886.87            | 500.00   | A) 1. First paripassu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future. 2. Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan. B) 100% pledge of shares of Himatsingka America Inc USA and Himatsingka Holdings NA Inc (HHNA) held by HHNA and Himatsingka Seide Limited respectively. C) Residual charge on Companies property situated at Midford Garden, M.G. Road & Property situated at Vittal Mallya Road, owned by Company's Subsidiary Himatsingka Wovens Private Limited. D) Corporate Guarantee of HWPL (limited to properties charged to Exim Bank). | Loan shall be repaid in 21 structured quarterly installments commencing after a moratorium period of 2 years from first date of disbursement. As of 31 March 2026, 10 installments remained outstanding.                                                                     |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

**Note 16.1 : Details of non-current borrowings and current maturities of non-current borrowings** (₹ Lacs)

| Particulars  | As at 31 March 2026 |                  | As at 31 March 2025 |                 | Nature of security                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Repayment/ redemption / other terms                                                                                                                                                                      |
|--------------|---------------------|------------------|---------------------|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | Non-Current         | Current          | Non-Current         | Current         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                          |
| Loan 11      | 1,758.85            | 1,304.23         | 2,933.16            | 300.00          | A) 1. First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future. 2. Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan. B) 100% pledge of shares of Himatsingka America Inc USA and Himatsingka Seide Limited NA Inc (HHNA) held by HHNA and Himatsingka Seide Limited respectively. C) Residual charge on Companies property situated at Midford Garden, M.G. Road & Property situated at Vittal Mallya Road, owned by Company's Subsidiary Himatsingka Wovens Private Limited. D) Corporate Guarantee of HWPL (limited to properties charged to Exim Bank). | Loan shall be repaid in 21 structured quarterly installments commencing after a moratorium period of 2 years from first date of disbursement. As of 31 March 2026, 10 installments remained outstanding. |
| Loan 12      | 1,198.41            | 800.00           | 1,999.32            | 400.00          | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Loan Shall be repaid in 24 quarterly installments commencing from post completion of principle moratorium period of 12 months. As of 31 March 2026, 10 installments remained outstanding.                |
| Loan 13      | 1,063.94            | 611.57           | 1,670.66            | 305.78          | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Loan shall be repaid in 27 structured quarterly installments commencing after 6 months from the date of disbursement. As of 31 March 2026, 11 installments remained outstanding.                         |
| Loan 14      | 4,945.11            | 2,223.26         | 7,319.20            | 400.00          | A) First charge on Companies property situated at Midford Garden, M.G. Road & Property situated at Vittal Mallya Road, owned by company's Subsidiary HWPL B) Corporate Guarantee from HWPL only to the extent of properties charged with Exim Bank                                                                                                                                                                                                                                                                                                                                                                                                                                 | Loan shall be repaid in 18 structured quarterly installments commencing after 6 months from the date of disbursement. As of 31 March 2026, 9 installments remained outstanding.                          |
| Loan 15      | 864.44              | 500.00           | 1,370.55            | 250.00          | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Loan shall be repaid in 20 structured quarterly installments commencing after 3 months from the date of disbursement. As of 31 March 2026, 11 installments remained outstanding.                         |
| Loan 16      | 6,755.88            | 2,190.76         | 4,455.73            | 1,149.99        | 1. First pari passu charge on present and future Fixed Assets of the company's plants situated at Doddaballapur and Hassan 2. Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan. 3. Second charge on Companies property situated at Midford Garden, M.G. Road & Property situated at Vittal Mallya Road, owned by company's Subsidiary HWPL and 4. Corporate Guarantee from HWPL only to the extent of properties charged with Exim Bank.                                                                                                                                                                                              | Loan shall be repaid in 18 structured quarterly installments commencing after 06 months from the date of disbursement. As of 31 March 2026, 13 installments remained outstanding.                        |
| Loan 17      | 2,510.17            | 910.00           | 2,734.95            | 490.00          | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Loan shall be repaid in 13 structured quarterly installments commencing after 6 months from the date of disbursement. As of 31 March 2026, 9 installments remained outstanding.                          |
| <b>Total</b> | <b>33,362.33</b>    | <b>17,008.23</b> | <b>46,205.86</b>    | <b>7,530.23</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                          |

The rate of interest on the above term loans is in the range of 8.75% to 13.72% (31 March 2025 : 8.22% to 13.56%).



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(₹ Lacs)

### Note 16.1 : Details of non-current borrowings and current maturities of non-current borrowings

| Particulars                                                          | As at 31 March 2026 |          | As at 31 March 2025 |          | Nature of security                                                                                                                                                                                                                 | Repayment/ redemption / other terms                                                                                                                                           |
|----------------------------------------------------------------------|---------------------|----------|---------------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                      | Non-Current         | Current  | Non-Current         | Current  |                                                                                                                                                                                                                                    |                                                                                                                                                                               |
| iii) Non convertible debentures from financial institution (secured) |                     |          |                     |          |                                                                                                                                                                                                                                    |                                                                                                                                                                               |
| NCD 01                                                               | 36,991.13           | 5,750.00 | 42,643.28           | 2,875.00 | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                               | NCD shall be repaid in 16 equal semi - annual installments commencing after 3 years from the date of disbursement. As of 31 March 2026, 15 installments remained outstanding. |
| NCD 02                                                               | 4,865.67            | 1,625.00 | -                   | -        | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future.                                                                                               | NCD shall be repaid in 8 quarterly installments after 18 months of moratorium period. As of 31 March 2026, 8 installments remained outstanding.                               |
| NCD 03                                                               | 8,720.25            | 1,200.00 | -                   | -        | First pari passu charge on entire movable and immovable fixed assets of the Hassan and Doddaballapur plant, both present and future. Negative Lien over land admeasuring 4.85 acre located at Sy No. 25, 17/1, 17/2 & 23 at Hassan | NCD shall be repaid in 10 quarterly installments after 12 months of moratorium period. As of 31 March 2026, 10 installments remained outstanding.                             |
| Total                                                                | 50,577.05           | 8,575.00 | 42,643.28           | 2,875.00 |                                                                                                                                                                                                                                    |                                                                                                                                                                               |

The rate of interest on the above loan is in the range of 10.11% to 14.77% (31 March 2025 : 11.42%).

|                                                                                      |                  |          |                  |          |                                                                        |                                                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------------------------------------------------|------------------|----------|------------------|----------|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>iv) Foreign currency convertible bonds from financial institution (unsecured)</b> |                  |          |                  |          | <b>(₹ Lacs)</b>                                                        |                                                                                                                                                                                                                                                                                                                                                                   |
| FCCB 01                                                                              | 11,753.73        | -        | 10,598.98        | -        | The foreign currency convertible bonds are not backed by any security. | FCCB shall be repaid in 2 equal installments. 50% of the principal amount of the loan is repayable at the end of 5 years from the issue date of first tranche (26 April 2023) and balance 50% at the end of 5 years 6 months or can be converted at any time into equity shares at the holder's option. As of 31 March 2026, 2 installments remained outstanding. |
| <b>Total</b>                                                                         | <b>11,753.73</b> | <b>-</b> | <b>10,598.98</b> | <b>-</b> |                                                                        |                                                                                                                                                                                                                                                                                                                                                                   |

The rate of interest on the above Foreign currency convertible bonds is 4.5% (31 March 2025 : 4.5%).





## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 16.2:

The term loans raised during the year have been applied for the purposes for which they were raised.

### Note 17 : Provisions

(₹ Lacs)

| Particulars                              | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------|---------------------|---------------------|
| <b>Non-current</b>                       |                     |                     |
| Provision for gratuity (refer note 17.2) | 2,308.05            | 1,949.21            |
| <b>Total</b>                             | <b>2,308.05</b>     | <b>1,949.21</b>     |
| <b>Current</b>                           |                     |                     |
| Provision for compensated absences       | 469.12              | 257.55              |
| Provision for gratuity (refer note 17.2) | 1,148.29            | 956.63              |
| <b>Total</b>                             | <b>1,617.41</b>     | <b>1,214.18</b>     |

**Note 17.1 :** On 21 November 2025, the Government of India notified the four labour codes the Code on Wages 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes', consolidating 29 existing labour laws. The Ministry of Labour and Employment has published draft Central Rules and FAQs to facilitate the assessment of the financial impact arising from the regulatory changes.

Accordingly, the Group, considering best available information, has made a preliminary assessment and accounted for the incremental impact under Employee benefits expenses in the Statement of Profit and Loss during the year. The Government is in the process of notifying related Central / State rules to the New Labour Codes and the consequent impact of these will be evaluated and accounted for, as needed, in accordance with applicable accounting standards in the period in which they are notified.

### Note 17.2 : Employee benefits

The Group operates the following post-employment defined benefit plan.

#### Defined benefit plan

The Group operates post-employment defined benefit plan that provide gratuity, governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years (1 year in case of fixed term employees which includes contract employees) are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months. The gratuity plan is a funded plan. There is no maximum limit for the payment of gratuity benefit. The present value of obligation is determined based on an actuarial valuation as at the reporting date using the Projected Unit Credit Method.

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

#### A) Funding

The Group's gratuity scheme for employees is administered through insurance fund. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (E). Employees do not contribute to the plan.

The Group expects to contribute ₹ 1,148.29 Lacs (31 March 2025 : ₹ 956.63 Lacs) to its defined benefit plan in the next financial year.

#### The expected maturity analysis of undiscounted gratuity is as follows:

(₹ Lacs)

| Particulars        | As at 31 March 2026 | As at 31 March 2025 |
|--------------------|---------------------|---------------------|
| 1 year             | 1,164.85            | 964.86              |
| 2 to 5 years       | 1,509.63            | 1,169.86            |
| 6 to 10 years      | 1,135.33            | 1,081.54            |
| More than 10 years | 995.94              | 853.31              |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### B) Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components:

#### Reconciliation of present value of defined benefit obligation

(₹ Lacs)

| Particulars                                                                               | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------------|---------------------|---------------------|
| Obligation at the beginning of the year                                                   | 2,914.01            | 3,010.09            |
| Interest cost                                                                             | 191.70              | 213.46              |
| Current service cost                                                                      | 257.65              | 261.07              |
| Past service cost (refer note 17.1)                                                       | 268.04              | –                   |
| Benefits paid                                                                             | (312.59)            | (235.45)            |
| Actuarial (gains)/losses on obligations recognised in other comprehensive income          |                     |                     |
| – Changes in demographic assumptions                                                      | –                   | –                   |
| – Changes in financial assumptions                                                        | 57.82               | (363.03)            |
| – Experience adjustments                                                                  | 96.16               | 27.86               |
| <b>Obligation at the end of the year</b>                                                  | <b>3,472.79</b>     | <b>2,914.01</b>     |
| <b>Reconciliation of present value of plan assets</b>                                     |                     |                     |
| Plan assets at the beginning of the year, at fair value                                   | 8.17                | 189.75              |
| Interest income on plan assets                                                            | 0.34                | 13.34               |
| Contributions                                                                             | 320.53              | 51.10               |
| Benefits paid                                                                             | (312.59)            | (235.45)            |
| Return on plan assets, excluding interest income recognised in other comprehensive income | 0.04                | (10.57)             |
| <b>Plan assets at the end of the year, at fair value</b>                                  | <b>16.49</b>        | <b>8.17</b>         |
| <b>Net defined benefit liability</b>                                                      | <b>3,456.30</b>     | <b>2,905.84</b>     |

#### C) i) Expense recognised in the Statement of profit or loss

(₹ Lacs)

| Particulars                         | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|-------------------------------------|-------------------------------------|-------------------------------------|
| Current service cost                | 257.65                              | 261.07                              |
| Past service cost (refer note 17.1) | 268.04                              | –                                   |
| Interest cost                       | 191.70                              | 213.46                              |
| Expected return on plan assets      | (0.34)                              | (13.34)                             |
| <b>Net benefit expense</b>          | <b>717.05</b>                       | <b>461.19</b>                       |

#### ii) Remeasurement recognised in other comprehensive income

(₹ Lacs)

| Particulars                                                                | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------|---------------------|---------------------|
| Actuarial loss on defined benefit obligation                               | 153.98              | (335.16)            |
| Return on plan assets, excluding amount recognised in net interest expense | (0.04)              | 10.57               |
| <b>Total (gain) / loss recognised in other comprehensive income</b>        | <b>153.94</b>       | <b>(324.59)</b>     |

### D) Plan assets

(₹ Lacs)

| Particulars    | As at 31 March 2026 | As at 31 March 2025 |
|----------------|---------------------|---------------------|
| Insurance fund | 16.49               | 8.17                |
| <b>Total</b>   | <b>16.49</b>        | <b>8.17</b>         |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### E) Defined benefit obligation

#### i) Actuarial assumptions

| Particulars                                                        | For the year ended<br>31 March 2026                  | For the year ended<br>31 March 2025  |
|--------------------------------------------------------------------|------------------------------------------------------|--------------------------------------|
| Discount rate                                                      | 6.45%                                                | 6.50%                                |
| Future salary growth                                               | 0.00 % for first 1 years,<br>and 3% to 4% thereafter | 0% for first 2 year 3%<br>thereafter |
| Mortality                                                          | 100% of IALM 2012-14                                 | 100% of IALM 2012-14                 |
| Attrition rate                                                     | 2% - 50%                                             | 2% - 50%                             |
| Weighted average duration of defined benefit obligation (in years) | 4                                                    | 5                                    |
| Retirement age (in years)                                          | 58                                                   | 58                                   |

#### Notes:

- The discount rate is based on the prevailing market yield on indian government bonds as at the balance sheet date for the estimated term of obligations.
- The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Group's policy for plan asset management.
- The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

#### ii) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant would have affected defined benefit obligation by amounts shown below:

(₹ Lacs)

| Particulars                                         | As at 31 March 2026 | As at 31 March 2025 |
|-----------------------------------------------------|---------------------|---------------------|
| Projected benefit obligation on current assumptions | 3,472.90            | 2,914.12            |
| Impact of change in discount rate by +1%            | (147.16)            | (125.43)            |
| Impact of change in discount rate by -1%            | 161.15              | 137.51              |
| Impact of change in salary growth rate by +1%       | 165.50              | 142.47              |
| Impact of change in salary growth rate by -1%       | (153.70)            | (132.06)            |
| Impact of change in attrition rate by +50%          | 16.09               | 14.64               |
| Impact of change in attrition rate by -50%          | (28.16)             | (25.15)             |
| Impact of change in mortality rate by +10%          | 0.83                | 0.95                |
| Impact of change in mortality rate by -10%          | (0.83)              | (0.95)              |

#### Defined contribution plans:

The Group's contribution to various defined contribution plans recognised in the statement of profit and loss under the head employee benefit expense are as follows:

(₹ Lacs)

| Particulars              | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|--------------------------|-------------------------------------|-------------------------------------|
| Provident fund           | 1,351.41                            | 1,466.82                            |
| Employee state insurance | 231.44                              | 272.48                              |
| NPS fund                 | 62.71                               | 57.03                               |
| <b>Total</b>             | <b>1,645.56</b>                     | <b>1,796.33</b>                     |



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 18: Other Liabilities

(₹ Lacs)

| Particulars                                                      | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------|---------------------|---------------------|
| <b>Non Current</b>                                               |                     |                     |
| Deferred income arising from government grants (refer note 18.1) | 4,619.03            | 5,079.34            |
| Deferred Security Deposit                                        | 20.49               | 22.98               |
| <b>Total</b>                                                     | <b>4,639.52</b>     | <b>5,102.32</b>     |
| <b>Current</b>                                                   |                     |                     |
| Deferred income arising from government grants (refer note 18.1) | 460.30              | 460.30              |
| Advances received from customers                                 | 646.65              | 934.56              |
| Statutory liabilities                                            | 324.52              | 489.76              |
| Security deposit received                                        | 40.71               | 87.60               |
| <b>Total</b>                                                     | <b>1,472.18</b>     | <b>1,972.22</b>     |

#### Note 18.1 : Deferred income arising from government grants

The Holding Company has received credit linked capital grant from the government. The Holding Company has presented such amortisation of deferred income as a deduction from the related expenses.

### Note 19: Current borrowings

(₹ Lacs)

| Particulars                                                   | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------------------------------|---------------------|---------------------|
| <b>Secured borrowings</b>                                     |                     |                     |
| <b>Loans repayable on demand</b>                              |                     |                     |
| From banks (refer note 19.1 and note 19.2)                    | 75,665.23           | 79,540.40           |
| From Financial Institutions (refer note 19.1 and note 19.2)   | –                   | 3,500.00            |
| Bill discounting (refer note 11.1)                            | 14,979.29           | 20,121.44           |
| Current maturities of non-current borrowing (refer note 16.1) | 41,584.88           | 15,393.33           |
| <b>Total</b>                                                  | <b>132,229.40</b>   | <b>118,555.17</b>   |

**Note 19.1 :** The weighted average effective interest rate (net of subsidy) on the bank loans is 8.31% per annum (9.31% as at 31 March 2025).

**Note 19.2 :** Working capital limits secured by pari passu charge by way of hypothecation of stock and book debts of the Group and in case of working capital loan from one bank, there is an additional security by way of first charge over Property, plant and equipment of the Group.

**Note-19.3 :** The Holding Company have filed the quarterly returns or statement with the banks/financial institutions according to the sanctioned working capital facilities, which are in agreement with books of accounts.

Information about the Group's exposure to interest rate, currency and liquidity risk are disclosed in note 35.

### Note 20 : Trade payables

(₹ Lacs)

| Particulars                                                                            | As at 31 March 2026 | As at 31 March 2025 |
|----------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Current</b>                                                                         |                     |                     |
| Total outstanding dues of micro enterprises and small enterprises (refer note 20.1)    | 11,509.61           | 13,821.63           |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 73,310.95           | 71,108.69           |
| <b>Total</b>                                                                           | <b>84,820.56</b>    | <b>84,930.32</b>    |

The Group's exposure to currency and liquidity risk are disclosed in note 35.

Refer to note 36.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Supplier Financing Arrangement

In the ordinary course of business, the Group enters into supplier financing arrangements with certain suppliers. These arrangements allow suppliers to receive early payment for their invoices through a third-party financial institution (the Financing Institution). The Financing Institution pays the supplier early at a discounted rate, and the Group settles the outstanding balance directly with the Financing Institution at the end of the agreed-upon terms.

| Particulars                                                      | As at 31 March 2026 |
|------------------------------------------------------------------|---------------------|
| Presented within trade and other payables                        | 35,210.43           |
| - of which suppliers have received payment from finance provider | 35,196.96           |
| <b>Range of payment due dates</b>                                |                     |
| Liabilities that are part of the arrangement                     | 90-180 days         |
| Trade payables that are not part of an arrangement               | 0-120 days          |

Pursuant to Notification No. G.S.R. 549(E) dated 13 August 2025 which amended Paragraph 63 of Ind AS 7, the Group has not presented comparative information for supplier financing arrangements, this being the first annual reporting year of application of the amended disclosure requirements.

### Note 20.1 : Dues of small enterprises and micro enterprises

The disclosure pursuant to the Micro, small and medium enterprises development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at 31 March 2026 and 31 March 2025 is as under:

(₹ Lacs)

| Particulars                                                                                                                                                                                                                                                                         | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year                                                                                                                                                                            |                     |                     |
| – Principal                                                                                                                                                                                                                                                                         | 11,509.61           | 13,821.63           |
| – Interest                                                                                                                                                                                                                                                                          | 421.56              | 421.56              |
| The amount of interest paid by the buyer in terms of Section 16 of MSMED Act along with the amount of the payment made to the supplier beyond the appointed day during the year                                                                                                     | –                   | –                   |
| The amount of interest due and payable for the period of delay in making payment (which has been paid beyond the appointed day during the year) but without adding the interest specified                                                                                           | –                   | –                   |
| The amount of interest accrued and remaining unpaid at the end of year                                                                                                                                                                                                              | –                   | –                   |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 | –                   | –                   |

The above disclosure has been made in the consolidated financial statements based on the information received and available with the Group.

### Note 20.2: Trade Payables ageing schedule

As at 31 March 2026

(₹ Lacs)

| Particulars                | Unbilled dues   | Not Due          | Outstanding for following periods from due date of payment |                 |                 |                   | Total            |
|----------------------------|-----------------|------------------|------------------------------------------------------------|-----------------|-----------------|-------------------|------------------|
|                            |                 |                  | Less than 1 year                                           | 1 -2 years      | 2 -3 years      | More than 3 years |                  |
| i) MSME*                   | –               | 3,458.01         | 4,498.92                                                   | 1,854.81        | 1,378.97        | 318.90            | 11,509.61        |
| ii) Others                 | 3,213.60        | 48,898.99        | 17,764.65                                                  | 1,074.50        | 916.36          | 1,442.85          | 73,310.95        |
| iii) Disputed dues – MSME* | –               | –                | –                                                          | –               | –               | –                 | –                |
| iv) Disputed dues – Others | –               | –                | –                                                          | –               | –               | –                 | –                |
| <b>Total</b>               | <b>3,213.60</b> | <b>52,357.00</b> | <b>22,263.57</b>                                           | <b>2,929.31</b> | <b>2,295.33</b> | <b>1,761.75</b>   | <b>84,820.56</b> |



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

As at 31 March 2025

(₹ Lacs)

| Particulars                | Unbilled dues   | Not Due          | Outstanding for following periods from due date of payment |                 |                 |                   | Total            |
|----------------------------|-----------------|------------------|------------------------------------------------------------|-----------------|-----------------|-------------------|------------------|
|                            |                 |                  | Less than 1 year                                           | 1 -2 years      | 2 -3 years      | More than 3 years |                  |
| i) MSME*                   | –               | 7,795.51         | 4,072.11                                                   | 1,332.47        | 404.84          | 216.70            | 13,821.63        |
| ii) Others                 | 5,367.90        | 42,999.20        | 16,851.25                                                  | 2,266.49        | 2,266.46        | 1,357.39          | 71,108.69        |
| iii) Disputed dues – MSME* | –               | –                | –                                                          | –               | –               | –                 | –                |
| iv) Disputed dues – Others | –               | –                | –                                                          | –               | –               | –                 | –                |
| <b>Total</b>               | <b>5,367.90</b> | <b>50,794.71</b> | <b>20,923.36</b>                                           | <b>3,598.96</b> | <b>2,671.30</b> | <b>1,574.09</b>   | <b>84,930.32</b> |

\*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

### Note 21 : Other financial liabilities

(₹ Lacs)

| Particulars                                                 | As at 31 March 2026 | As at 31 March 2025 |
|-------------------------------------------------------------|---------------------|---------------------|
| <b>Non-current</b>                                          |                     |                     |
| Security deposit received                                   | 28.37               | 26.49               |
| <b>Total</b>                                                | <b>28.37</b>        | <b>26.49</b>        |
| <b>Current</b>                                              |                     |                     |
| Capital creditors                                           | 211.02              | 755.34              |
| Employee related liabilities                                | 2,898.18            | 2,875.72            |
| Interest accrued but not due on borrowings                  | 2,045.37            | 2,112.01            |
| Derivative liabilities - foreign exchange forward contracts | 3,728.99            | 256.58              |
| Unclaimed dividend (refer note 21.1)                        | 259.17              | 36.33               |
| <b>Total</b>                                                | <b>9,142.73</b>     | <b>6,035.98</b>     |

The Group's exposure to currency and liquidity risk are disclosed in note 35.

**Note 21.1 :** As at 31 March 2026 (31 March 2025: ₹ Nil), there is no amount due and outstanding to be transferred to the Investor Education and Protection Fund (IEPF) by the Holding Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due

### Note 22 : Revenue from operations

(₹ Lacs)

| Particulars                                                                    | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|--------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| Revenue from contracts with customers - sale of goods* (refer note 22.2 below) | 2,33,729.14                      | 2,55,447.05                      |
| Other operating revenue (refer note 22.1 below)                                | 17,780.17                        | 22,372.68                        |
| <b>Total</b>                                                                   | <b>2,51,509.31</b>               | <b>2,77,819.73</b>               |

\*Refer note 36 for related party transactions

### Note 22.1 : Other operating revenue comprises:

(₹ Lacs)

|                                                                 |                  |                  |
|-----------------------------------------------------------------|------------------|------------------|
| Revenue from contracts with customers - sale of waste and scrap | 3,882.12         | 4,517.26         |
| Export incentive                                                | 13,837.59        | 17,749.46        |
| Royalty income                                                  | 60.46            | 105.96           |
| <b>Total</b>                                                    | <b>17,780.17</b> | <b>22,372.68</b> |

### Note 22.2 : Disaggregated revenue information:

The Group derives its revenue primarily from sale of textile products. Revenues from different geographic regions based on the location of the customers have been disclosed in note 32(a).

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 22.3 Reconciliation of revenue recognised in the statement of profit and loss with the contracted price (₹ Lacs)

| Particulars                                                                              | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Revenue as per contracted price                                                          | 2,43,092.57                         | 2,63,429.23                         |
| Less: Rebates, discounts, chargebacks, markdowns, etc.                                   | (5,481.31)                          | (3,464.92)                          |
| <b>Revenue from contracts with customers - sale of goods and sale of waste and scrap</b> | <b>2,37,611.26</b>                  | <b>2,59,964.31</b>                  |

### Note 22.4 Timing of revenue recognition (₹ Lacs)

| Particulars                                                                              | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Goods transferred at a point in time                                                     |                                     |                                     |
| – Sale of goods                                                                          | 2,33,729.14                         | 2,55,447.05                         |
| – Sale of waste and scrap                                                                | 3,882.12                            | 4,517.26                            |
| <b>Revenue from contracts with customers - sale of goods and sale of waste and scrap</b> | <b>2,37,611.26</b>                  | <b>2,59,964.31</b>                  |

### Note 22.5 Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers

(₹ Lacs)

| Particulars                               | For the year ended | For the year ended |
|-------------------------------------------|--------------------|--------------------|
|                                           | 31 March 2026      | 31 March 2025      |
| Trade receivables                         | 1,19,168.74        | 1,08,668.87        |
| Advance from customers (refer note 18)    | 646.65             | 934.56             |
| Contract acquisition costs (refer note 9) | 2,197.58           | 4,214.94           |

### Note 23 : Other income (₹ Lacs)

| Particulars                                                                                                | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>a) Interest income</b>                                                                                  |                                     |                                     |
| Interest from bank deposits                                                                                | 318.94                              | 473.75                              |
| Interest on electricity deposits                                                                           | 133.01                              | 156.73                              |
| Interest income earned on financial assets that are not designated as at fair value through profit or loss | 19.96                               | 14.94                               |
| <b>Sub Total (a)</b>                                                                                       | <b>471.91</b>                       | <b>645.42</b>                       |
| <b>b) Other than interest income</b>                                                                       |                                     |                                     |
| Foreign exchange gain                                                                                      | 18,823.12                           | 3,711.13                            |
| Miscellaneous income                                                                                       | 1,919.60                            | 268.04                              |
| Gain on lease modification (refer note 31)                                                                 | -                                   | 1,882.43                            |
| <b>Sub Total (b)</b>                                                                                       | <b>20,742.72</b>                    | <b>5,861.60</b>                     |
| <b>Total (a+b)</b>                                                                                         | <b>21,214.63</b>                    | <b>6,507.02</b>                     |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 24 : Cost of materials consumed, purchases of stock in trade and changes in inventories

(₹ Lacs)

| Particulars                                                                             | For the year ended | For the year ended |
|-----------------------------------------------------------------------------------------|--------------------|--------------------|
|                                                                                         | 31 March 2026      | 31 March 2025      |
| <b>A) Cost of raw materials and packing materials consumed</b>                          |                    |                    |
| Inventories of raw materials and packing materials at the beginning of the year         | 4,515.28           | 5,933.63           |
| Add: Purchase                                                                           | 1,14,961.39        | 1,21,459.88        |
| Less: Inventories of raw materials and packing materials at the end of the year         | 6,508.59           | 4,515.28           |
| <b>Cost of raw materials and packing materials consumed</b>                             | <b>1,12,968.08</b> | <b>1,22,878.23</b> |
| <b>B) Purchase of stock-in-trade</b>                                                    | <b>45,278.46</b>   | <b>20,867.12</b>   |
| <b>C) Changes in inventories of finished goods, work-in-progress and stock-in-trade</b> |                    |                    |
| <b>Opening stock :</b>                                                                  |                    |                    |
| – Work in progress                                                                      | 37,485.66          | 27,802.95          |
| – Finished goods                                                                        | 56,678.74          | 62,259.61          |
|                                                                                         | <b>94,164.40</b>   | <b>90,062.56</b>   |
| <b>Closing stock :</b>                                                                  |                    |                    |
| – Work in progress                                                                      | 38,125.65          | 37,485.66          |
| – Finished goods                                                                        | 76,161.94          | 56,678.74          |
|                                                                                         | <b>1,14,287.59</b> | <b>94,164.40</b>   |
| <b>Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>    | <b>(20,123.19)</b> | <b>(4,101.84)</b>  |

### Note 25 : Employee benefits expense

(₹ Lacs)

| Particulars                                                 | For the year ended | For the year ended |
|-------------------------------------------------------------|--------------------|--------------------|
|                                                             | 31 March 2026      | 31 March 2025      |
| Salaries, wages and bonus                                   | 22,887.97          | 23,466.23          |
| Contribution to provident and other funds (refer note 17.2) | 1,645.56           | 1,796.33           |
| Gratuity expenses (refer note 17.2)                         | 717.05             | 461.19             |
| Expenses related to compensated absence                     | 498.93             | (297.27)           |
| Workmen and staff welfare expenses                          | 1,024.68           | 1,501.12           |
| <b>Total</b>                                                | <b>26,774.19</b>   | <b>26,927.60</b>   |

refer note 36

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 26 : Finance Costs

(₹ Lacs)

| Particulars                                                                              | For the year ended | For the year ended |
|------------------------------------------------------------------------------------------|--------------------|--------------------|
|                                                                                          | 31 March 2026      | 31 March 2025      |
| Interest expense on :                                                                    |                    |                    |
| Financial liability at amortised Cost                                                    |                    |                    |
| Interest on term loan [net of subsidy ₹ 5,600.00 Lacs (31 March 2025: ₹ 4,500.00 Lacs )] | 10,167.31          | 12,571.38          |
| Interest on working capital loans                                                        | 11,471.95          | 13,152.60          |
| Interest on payment of income tax                                                        | 161.58             | 123.42             |
| Interest on lease liabilities (refer note 31)                                            | 231.22             | 477.48             |
| Other borrowing costs                                                                    | 6,368.91           | 4,969.19           |
| Exchange differences regarded as an adjustment to borrowing costs                        | 657.22             | 275.94             |
| <b>Total</b>                                                                             | <b>29,058.19</b>   | <b>31,570.01</b>   |

### Note 27 : Depreciation and amortisation expense

(₹ Lacs)

| Particulars                                                                  | For the year ended | For the year ended |
|------------------------------------------------------------------------------|--------------------|--------------------|
|                                                                              | 31 March 2026      | 31 March 2025      |
| Depreciation on property, plant and equipment* (refer note 3.1)              | 14,785.76          | 14,200.00          |
| Amortisation of intangible assets (refer note 3.3)                           | 1,253.95           | 1,668.81           |
| Depreciation on Right-of-use asset (refer note 31)                           | 841.60             | 1,223.34           |
| Less: Amortisation of deferred income on government grants (refer note 18.1) | (460.29)           | (1,950.21)         |
| <b>Total</b>                                                                 | <b>16,421.02</b>   | <b>15,141.94</b>   |

\*refer note 13 for depreciation on reclassification of assets held for sale

### Note 28 : Other expenses

(₹ Lacs)

| Particulars                                   | For the year ended | For the year ended |
|-----------------------------------------------|--------------------|--------------------|
|                                               | 31 March 2026      | 31 March 2025      |
| Consumption of stores and spare parts         | 1,366.54           | 1,074.16           |
| Power and fuel*                               | 21,115.40          | 23,149.49          |
| Royalty                                       | 0.58               | 2,609.83           |
| Contract labour charges                       | 3,774.92           | 3,853.73           |
| Freight outward                               | 3,425.47           | 1,564.20           |
| Advertisement, selling and publicity expenses | 5,080.11           | 11,669.82          |
| Rent (refer note 31)                          | 2,526.56           | 2,278.58           |
| Travelling and conveyance expenses            | 1,743.84           | 1,946.85           |
| Professional and consultancy charges*         | 1,434.41           | 1,521.23           |
| Payments to auditors (refer note 28.1 below)  | 105.93             | 164.78             |
| Sales promotion expenses                      | 1,758.68           | 2,422.40           |
| Repairs and maintenance :                     |                    |                    |
| i) plant and machinery                        | 332.97             | 347.40             |
| ii) buildings                                 | 149.10             | 133.34             |
| iii) others                                   | 443.96             | 491.89             |
| Insurance                                     | 1,167.93           | 1,002.18           |
| Job work charges                              | 703.11             | 455.89             |
| Product design and development charges        | 234.51             | 302.73             |
| Water charges                                 | 469.23             | 198.77             |
| Security charges                              | 375.15             | 418.23             |



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

|                                                                              |                  |                  |
|------------------------------------------------------------------------------|------------------|------------------|
| Communication expenses                                                       | 295.76           | 374.79           |
| Rates and taxes                                                              | 365.74           | 319.70           |
| Printing and stationery                                                      | 34.91            | 30.56            |
| Expenditure on corporate social responsibility (CSR) (refer note 28.2 below) | 132.79           | 221.51           |
| Commission on sales                                                          | 80.36            | 77.99            |
| Loss on sale of property, plant and equipment (net)                          | 15.02            | 17.73            |
| Bad debts written off                                                        | 35.02            | 66.75            |
| Loss allowance on financial assets                                           | 1,370.79         | 1,555.69         |
| Miscellaneous expenses                                                       | 1,620.61         | 1,563.88         |
| <b>Total</b>                                                                 | <b>50,159.40</b> | <b>59,834.10</b> |

\*refer note 36

### Note 28.1 : Payments to auditors

(₹ Lacs)

| Particulars                                                | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>As auditor:</b>                                         |                                     |                                     |
| – Audit fee*                                               | 95.00                               | 94.00                               |
| <b>In other capacity:</b>                                  |                                     |                                     |
| – Other services (certification fees)**                    | 4.50                                | 64.00                               |
| – Reimbursement of expenses                                | 5.43                                | 5.78                                |
|                                                            | <b>104.93</b>                       | <b>163.78</b>                       |
| <b>Remuneration to other auditors for the subsidiaries</b> |                                     |                                     |
| For audit                                                  | 1.00                                | 1.00                                |
| <b>Total</b>                                               | <b>105.93</b>                       | <b>164.78</b>                       |

\* includes fee for limited reviews

\*\*Certification fee of previous year includes auditors remuneration related to Qualified Institutions Placement ('QIP')

### Note 28.2 : Corporate Social Responsibility

The Holding Company has spent towards various schemes of corporate social responsibility (CSR) as prescribed under Section 135 of the Companies Act, 2013. The details are:

(₹ Lacs)

| Particulars                                                                                          | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| i) Amount required to be spent by the Company during the year                                        | 132.79                              | 229.10                              |
| ii) Amount required to be set-off for the financial year                                             | –                                   | 7.59                                |
| iii) Amount approved by the Board and required to be spent by the Company during the year ( i - ii ) | 132.79                              | 221.51                              |
| iv) Amount of expenditure incurred on:                                                               |                                     |                                     |
| a) Construction/acquisition of any asset                                                             | –                                   | –                                   |
| b) On purposes other than (a) above                                                                  | 132.79                              | 131.86                              |
| v) Shortfall/(excess) at the end of the year*                                                        | –                                   | 89.65                               |
| vi) Total of previous years shortfall                                                                | –                                   | –                                   |
| vii) Reason for shortfall*                                                                           | –                                   | Pertains to ongoing projects        |



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

|                                                                          |                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| viii) Nature of CSR activities                                           | Skill development and providing employment to Apprentices under Apprentices Act as per the National Apprenticeship Promotion Scheme (NAPS). | Skill development and providing employment to Apprentices under Apprentices Act as per the National Apprenticeship Promotion Scheme (NAPS).<br>District Education Progress: To undertake renovation and development of Government schools in Hassan District.<br>Villages Development: To undertake Village infrastructure development of Kokkanaghatta, Hanumanthapura, villages of Hassan district. |
| vii) Details of related party transactions                               |                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                       |
| a) Contribution to Himatsingka Foundation in relation to CSR expenditure | –                                                                                                                                           | 89.65                                                                                                                                                                                                                                                                                                                                                                                                 |

\*During the previous year the unspent amount in respect of ongoing projects is transferred to Himatsingka Foundation (formed by the Holding Company) and Himatsingka Foundation has transferred it to a special account in accordance with the provisions of the Companies Act, 2013.

### Note 29 : Commitments

#### i) Capital Commitments

| Particulars                                                                                    | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 2,294.51            | 1,065.99            |

#### ii) Other commitments:

The Holding Company has imported capital goods and spare parts under the Export Promotion Capital Goods (EPCG) scheme and Advance Authorisation to utilise the benefit of zero or concessional custom duty rate. The benefits are subject to future exports within the stipulated period. Such export obligation relating to spare parts at year end aggregate to ₹ 6,295.95 Lacs (31 March 2025 : capital goods and spare parts amounting to ₹ 6,089.04 Lacs).

### Note 30 : Contingent Liabilities

(₹ Lacs)

| Particulars                                                                                                    | As at<br>31 March 2026 | As at<br>31 March 2025 |
|----------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| <b>a) Claims against Group not acknowledged as debt</b>                                                        |                        |                        |
| – Income tax matters (refer note 30.1 and 30.2.a)                                                              | 1,453.75               | 418.45                 |
| – Custom, service tax and excise duty related matter (excludes penalties, if any) (refer note 30.1 and 30.2.b) | 1,335.49               | 1,335.49               |
|                                                                                                                | <b>2,789.24</b>        | <b>1,753.94</b>        |
| <b>b) Guarantees outstanding</b>                                                                               |                        |                        |
| – Financial institutions                                                                                       | –                      | 1,629.22               |
| <b>Total</b>                                                                                                   | <b>2,789.24</b>        | <b>3,383.16</b>        |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

**Note 30.1 :** The above amounts have been arrived at based on the notice of demand or the Assessment Orders, as the case may be, and the Group is contesting these claims with the respective authorities. Outflows including interest and other consequential payments, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Group's rights for future appeals before the judiciary. The Group doesn't expect any reimbursements in respect of the above contingent liabilities.

### Note 30.2 :

**a) Contingent liabilities under Income Tax Act 1961 of ₹ 1,453.75 Lacs (31 March 2025 : ₹ 418.45 Lacs) includes:**

- Disputed demands of ₹ 30.50 Lacs (31 March 2025 : ₹ 30.50 Lacs) pertain to AY 2006-07 and AY 2009-10, being disallowance of corporate expenses, disallowance under Section 14A and disallowance of interest under section 36(1)(iii).
- Disputed demands of ₹ 287.17 Lacs (31 March 2025 : ₹ 287.17 Lacs) pertain to AY 2018-19, AY 2019-20 and AY 2020-21 relates to withholding of taxes for payment made outside India for consultancy and marketing services.
- Other disputed demands of ₹ 100.78 Lacs (31 March 2025 : 100.78 Lacs) pertain to AY 2008-09 and AY 2016-17 related to Transfer pricing adjustments on account of interest on loan, commission on guarantees provided to subsidiaries etc.
- Other disputed demands of ₹ 1,035.30 Lacs pertains to AY 2021-22 related to Transfer pricing adjustments on account of Marketing support HEL, Sale of power, sale of steam.

**b) Contingent liabilities under Custom, service tax and excise duties of ₹ 1,335.49 Lacs (31 March 2025 : ₹ 1,335.49 Lacs) includes:**

- Disputed demand of ₹ 668.90 Lacs (31 March 2025 : ₹ 668.90 Lacs) relating to transfer price adjustments on certain transactions with related parties.
- Disputed demand of ₹ 641.46 Lacs (31 March 2025 : ₹ 641.46 Lacs) on account of classification of imported Textile Sizing Chemical.
- Disputed demand of ₹ 25.13 Lacs (31 March 2025 : 25.13) relating to Goods and Service Tax (GST) input.

### Note 31 : Leases

The Group has lease contracts for various items of plant and machinery and building used in its operations. Leases of plant and machinery and building generally have lease terms between 5 and 10 years. The Group's obligations under its leases are secured by the lessor's title to the right-of use assets. The Group also has certain leases with lease terms of 12 months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

#### I) Right-of-use assets:

(₹ Lacs)

| Particulars                                                                  | As at<br>31 March 2026 | As at<br>31 March 2025 |
|------------------------------------------------------------------------------|------------------------|------------------------|
| <b>Buildings</b>                                                             |                        |                        |
| Balance as at the beginning of the year                                      | 2,942.21               | 7,916.45               |
| Additions                                                                    | 81.48                  | 2,423.07               |
| Depreciation for the year                                                    | (841.60)               | (1,223.34)             |
| Lease modification                                                           | —                      | (6,332.94)             |
| Exchange fluctuation arising on account of translation of foreign operations | 5.76                   | 158.97                 |
| <b>Balance as at the end of the year</b>                                     | <b>2,187.85</b>        | <b>2,942.21</b>        |

#### II) Lease Liability:

(₹ Lacs)

| Particulars                           | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---------------------------------------|------------------------|------------------------|
| Opening lease liabilities             | 2,818.12               | 9,971.90               |
| Interest expense on Lease Liabilities | 231.22                 | 477.48                 |
| Additions                             | —                      | 1,988.03               |
| Lease modification                    | —                      | (8,192.45)             |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

|                                                                              |                 |                 |
|------------------------------------------------------------------------------|-----------------|-----------------|
| Payment of Lease Liabilities                                                 | (1,432.91)      | (1,691.23)      |
| Exchange fluctuation arising on account of translation of foreign operations | 8.40            | 264.39          |
| <b>Balance as at the end of the year</b>                                     | <b>1,624.83</b> | <b>2,818.12</b> |
| Current                                                                      | 377.10          | 1,193.28        |
| Non-current                                                                  | 1,247.73        | 1,624.84        |

The maturity analysis of lease liabilities are disclosed in note 35.2

When measuring lease liabilities for leases that were classified as financing leases, the Holding Company discounted lease payments using its incremental borrowing rate at 1 April 2026. The weighted-average rate applied was 11.60%.

### III) Amounts recognised in profit or loss

(₹ Lacs)

| Particulars                                                         | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|---------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Interest on lease liabilities                                       | 231.22                              | 477.48                              |
| Amortisation expense on Right-of-use asset                          | 841.60                              | 1,223.34                            |
| Gain on lease modification                                          | –                                   | 1,882.43                            |
| Expenses relating to short-term leases (included in other expenses) | 2,526.56                            | 2,278.58                            |

### IV) Amounts recognised in statement of cash flows

(₹ Lacs)

| Particulars                                                                                                  | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|--------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| The total cash outflow for leases including cash outflow of short-term leases and leases of low-value assets | 3,959.47                            | 3,969.81                            |

### Note 32 : Segment Reporting

The Executive Vice Chairman & Managing Director of the group has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The group is structured into a single segment of Textiles value chain, and accordingly the CODM evaluates the group's performance and allocates resources based on an analysis of various performance indicators by the textiles and segment information has been presented accordingly.

The geographical information analyses the Group's revenue from external customer and non-current assets of its single reportable segment by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customer and segment assets which have been based on the geographical location of the assets.

#### a) Geographical revenues are segregated based on the locations of the customers who are invoiced or in relation to which the revenues is otherwise recognised:

(₹ Lacs)

| Particulars                    | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|--------------------------------|-------------------------------------|-------------------------------------|
| North America                  | 1,68,060.18                         | 2,02,148.87                         |
| India and Asia pacific         | 28,188.74                           | 26,968.60                           |
| Europe, Middle East and Africa | 33,858.68                           | 23,281.90                           |
| Rest of the world              | 3,621.54                            | 3,047.68                            |
| <b>Total</b>                   | <b>2,33,729.14</b>                  | <b>2,55,447.05</b>                  |

### Revenue generated from major customers

Revenue from two customers (31 March 2025 : two customers) individually contributing 10% or more of Group's revenue was 33.71% and 11.51% (31 March 2025 : 31.98% and 13.58%) of the total revenue respectively.



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### b) Non - current operating assets

(₹ Lacs)

| Particulars   | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|---------------|-------------------------------------|-------------------------------------|
| India         | 1,87,398.62                         | 1,97,984.75                         |
| Outside India | 13,804.44                           | 7,087.97                            |
| <b>Total</b>  | <b>2,01,203.06</b>                  | <b>2,05,072.72</b>                  |

Non - current assets for this purpose consists of all property, plant and equipment, capital work-in-progress and other intangible assets

### Note 33 : Income Taxes

#### Amount recognized in consolidated statement of profit and loss

(₹ Lacs)

| Particulars                                                                         | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|-------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| <b>Current tax:</b>                                                                 |                                     |                                     |
| In respect of the current year                                                      | 2,514.21                            | 3,084.62                            |
|                                                                                     | <b>2,514.21</b>                     | <b>3,084.62</b>                     |
| <b>Deferred tax:</b>                                                                |                                     |                                     |
| In respect of the current year                                                      | 3,450.06                            | (8,963.58)                          |
|                                                                                     | <b>3,450.06</b>                     | <b>(8,963.58)</b>                   |
| <b>Income tax expense reported in the consolidated statement of profit and loss</b> | <b>5,964.27</b>                     | <b>(5,878.96)</b>                   |

#### Income tax recognized in other comprehensive income

##### Deferred tax :

(₹ Lacs)

| Particulars                                                                   | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|-------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Re-measurements of defined employee benefit plan                              | (53.79)                             | 113.43                              |
| Effective portion of gain / (loss) on hedging instruments in cash flow hedges | (988.25)                            | 4.45                                |
| <b>Income tax charged to other comprehensive income / (loss)</b>              | <b>(1,042.04)</b>                   | <b>117.88</b>                       |

#### Reconciliation of effective tax rate

(₹ Lacs)

| Particulars                                                                                 | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|---------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Accounting profit before income tax                                                         | 12,187.79                           | 1,748.87                            |
| Enacted income tax rate in India                                                            | 34.94%                              | 34.94%                              |
| Tax using the Holding company's domestic tax rate                                           | 4,258.90                            | 611.13                              |
| Effects of tax concessions and MAT entitlement                                              | -                                   | (1,128.83)                          |
| Reversal of excess DTA on MAT credit recognised in prior year                               | 928.43                              | -                                   |
| Deferred tax due to change in tax rates (refer note 33.1)                                   | 515.44                              | (8,240.00)                          |
| Effects of non - deductible expenses for tax purposes                                       | 107.10                              | 3,542.61                            |
| Other adjustments                                                                           | 154.40                              | (663.87)                            |
| <b>Total income tax expense recognised in the consolidated statement of profit and loss</b> | <b>5,964.27</b>                     | <b>(5,878.96)</b>                   |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 33 : Income Taxes (continued)

#### Deferred tax

Deferred tax relates to the following:

| Particulars                                                                             | As at 01 April 2024 | Recognised in profit and loss during 2024-25 | Recognised in OCI during 2024-25 | MAT utilisation | Foreign exchange differences | As at 01 April 2025 | Recognised in profit and loss during 2025-26 | Recognised in OCI during 2025-26 | MAT utilisation | Foreign exchange differences | As at 31 March 2026 |
|-----------------------------------------------------------------------------------------|---------------------|----------------------------------------------|----------------------------------|-----------------|------------------------------|---------------------|----------------------------------------------|----------------------------------|-----------------|------------------------------|---------------------|
| <b>Deferred tax liabilities</b>                                                         |                     |                                              |                                  |                 |                              |                     |                                              |                                  |                 |                              |                     |
| Property, plant and equipment and intangible assets                                     | (32,346.94)         | 8,155.36                                     | –                                | –               | –                            | (24,191.59)         | 385.94                                       | –                                | –               | –                            | (23,805.65)         |
| Cash flow hedge                                                                         | (68.74)             | –                                            | (4.45)                           | –               | –                            | (73.19)             | –                                            | 73.19                            | –               | –                            | –                   |
| Other temporary differences                                                             | –                   | –                                            | –                                | –               | –                            | –                   | (4,053.13)                                   | –                                | –               | 255.79                       | (3,797.34)          |
| <b>Sub Total (A)</b>                                                                    | <b>(32,415.68)</b>  | <b>8,155.36</b>                              | <b>(4.45)</b>                    | <b>–</b>        | <b>–</b>                     | <b>(24,264.78)</b>  | <b>(3,667.19)</b>                            | <b>73.19</b>                     | <b>–</b>        | <b>255.79</b>                | <b>(27,602.99)</b>  |
| <b>Deferred tax assets</b>                                                              |                     |                                              |                                  |                 |                              |                     |                                              |                                  |                 |                              |                     |
| Provision for gratuity and compensated absences                                         | 1,416.86            | (198.01)                                     | (113.43)                         | –               | –                            | 1,105.42            | (234.00)                                     | 53.92                            | –               | –                            | 925.35              |
| Cash flow hedge                                                                         | –                   | –                                            | –                                | –               | –                            | –                   | –                                            | 914.93                           | –               | –                            | 914.93              |
| Leases                                                                                  | 161.79              | –                                            | –                                | –               | –                            | 161.79              | –                                            | –                                | –               | –                            | 161.79              |
| Minimum alternate tax (MAT) credit                                                      | 15,897.13           | –                                            | –                                | (974.67)        | –                            | 14,922.45           | 1,413.00                                     | –                                | –               | –                            | 16,335.45           |
| Unrealised profits on inventory                                                         | 568.39              | –                                            | –                                | –               | –                            | 568.39              | –                                            | –                                | –               | –                            | 568.39              |
| Other temporary differences (including delayed payments to MSME vendors and provisions) | 6,004.37            | 1,006.23                                     | –                                | –               | 62.25                        | 7,072.85            | (961.87)                                     | –                                | –               | –                            | 6,110.98            |
| <b>Sub Total (B)</b>                                                                    | <b>24,048.54</b>    | <b>808.22</b>                                | <b>(113.43)</b>                  | <b>(974.67)</b> | <b>62.25</b>                 | <b>23,830.91</b>    | <b>217.13</b>                                | <b>968.85</b>                    | <b>–</b>        | <b>–</b>                     | <b>25,016.90</b>    |
| <b>Deferred tax assets / (liabilities) (A+B)</b>                                        | <b>(8,367.14)</b>   | <b>8,963.58</b>                              | <b>(117.88)</b>                  | <b>(974.67)</b> | <b>62.25</b>                 | <b>(433.87)</b>     | <b>(3,450.06)</b>                            | <b>1,042.04</b>                  | <b>–</b>        | <b>255.79</b>                | <b>(2,586.09)</b>   |

**Note 33.1 :** The Group continues to compute current tax in accordance with the provisions applicable to domestic companies under the Income-tax Act, 1961 and has not opted for the concessional tax regime under Section 115BAA as at the reporting date. Based on management's assessment of future profitability, utilisation of MAT credit and the amendments proposed under the Finance Act, 2026, the Group expects to transition to the concessional tax regime under Section 115BAA with effect from April 1, 2026. Accordingly, in line with Ind AS 12 – Income Taxes, deferred tax assets and liabilities have been measured using the tax rates expected to apply in the periods in which the related temporary differences reverse. Deferred tax balances pertaining to periods subsequent to the expected transition have been measured at the concessional rate of 25.17% (including surcharge and cess). The impact of this reassessment has been recognised in the Statement of Profit and Loss for the year.





## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 34 : Earnings per equity share

(₹ Lacs)

| Particulars                                                                                                              | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Net profit for the year attributable to equity shareholders used in calculation of basic earnings per equity share (A)   | 6,196.19                            | 7,604.03                            |
| Add: Interest savings on convertible bonds, net of tax                                                                   | 324.78                              | 310.08                              |
| Net profit for the year attributable to equity shareholders used in calculation of diluted earnings per equity share (B) | 6,520.97                            | 7,914.11                            |

### Reconciliation of basic and diluted shares used in computing earnings per share:

| Particulars                                                                                                                | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|----------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Number of equity shares outstanding at the beginning of the year                                                           | 12,57,42,289                        | 9,84,57,160                         |
| Add: Weighted average number of equity shares issued during the year                                                       | –                                   | 1,14,37,328                         |
| Weighted average number of equity shares outstanding during the year in calculation of basic earnings per equity share (C) | 12,57,42,289                        | 10,98,94,488                        |
| Add: Adjustments for calculation of diluted earnings per equity share:                                                     |                                     |                                     |
| Shares issuable under convertible bonds                                                                                    | 62,19,509                           | 62,19,509                           |
| Weighted average number of equity shares adjusted for the effect of dilution (D)                                           | 13,19,61,798                        | 11,61,13,997                        |

### Earnings per equity share

| Particulars           | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|-----------------------|-------------------------------------|-------------------------------------|
| Basic (in ₹) (A/C)    | 4.93                                | 6.92                                |
| Diluted (in ₹) (B/D)* | 4.93                                | 6.82                                |

\*The effect of outstanding potential equity shares has not been considered in the calculation of diluted earnings per share, as their inclusion would be anti-dilutive. Therefore, basic earnings per share and diluted earnings per share are the same for the year ended 31 March 2026.

### Note 35: Financial instruments

#### Note 35.1 : Categories of financial instruments:

#### Fair value of instruments measured at amortised cost

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

| Particulars                                        | As at 31 March 2026 |                    | As at 31 March 2025 |                    |
|----------------------------------------------------|---------------------|--------------------|---------------------|--------------------|
|                                                    | Carrying value      | Fair value         | Carrying value      | Fair value         |
| <b>Financial assets at amortised cost</b>          |                     |                    |                     |                    |
| Cash and cash equivalents                          | 4,665.56            | 4,665.56           | 7,063.55            | 7,063.55           |
| Bank balances other than cash and cash equivalents | 3,065.92            | 3,065.92           | 4,407.11            | 4,407.11           |
| Trade receivables                                  | 1,19,168.74         | 1,19,168.74        | 1,08,668.87         | 1,08,668.87        |
| Loans                                              | 26.85               | 26.85              | 140.60              | 140.60             |
| Other financial assets (current and non-current)   | 62,640.33           | 62,640.33          | 51,962.82           | 51,962.82          |
| <b>Total</b>                                       | <b>1,89,567.40</b>  | <b>1,89,567.40</b> | <b>1,72,242.95</b>  | <b>1,72,242.95</b> |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

| <b>Financial liabilities at amortised cost</b>        |                    |                    |                    |                    |
|-------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Borrowings (current and non-current)                  | 2,61,927.78        | 2,61,927.78        | 2,53,914.36        | 2,53,914.36        |
| Trade payables                                        | 84,820.56          | 84,820.56          | 84,930.32          | 84,930.32          |
| Other financial liabilities (current and non-current) | 5,442.11           | 5,442.11           | 5,805.89           | 5,805.89           |
| Lease liabilities (current and non-current)           | 1,624.83           | 1,624.83           | 2,818.12           | 2,818.12           |
| <b>Total</b>                                          | <b>3,53,815.28</b> | <b>3,53,815.28</b> | <b>3,47,468.69</b> | <b>3,47,468.69</b> |

The Group assessed that fair values of cash and cash equivalents, Bank balances other than cash and cash equivalents, trade receivables, other financial assets, lease liabilities, trade payables and other financial liabilities approximate their respective carrying amounts. The following methods and assumptions were used to estimate the fair values for other assets and liabilities:

l) The fair values of the Group's fixed rate interest-bearing debt securities, borrowings and subordinated liabilities are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period for a variable rate interest-bearing debt securities, borrowings and subordinated liabilities, carrying value represents best estimate of their fair value as these are subject to changes in underlying interest rate indices as and when the changes happen.

### Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their levels in fair value hierarchy:

#### Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

(₹ Lacs)

| Particulars                                           | Carrying amount<br>31 March 2026 | Fair value |          |         |
|-------------------------------------------------------|----------------------------------|------------|----------|---------|
|                                                       |                                  | Level 1    | Level 2  | Level 3 |
| <b>Financial assets:</b>                              |                                  |            |          |         |
| <b>Measured at amortised cost</b>                     |                                  |            |          |         |
| Cash and cash equivalents                             | 4,665.56                         | —          | —        | —       |
| Bank balances other than cash and cash equivalents    | 3,065.92                         | —          | —        | —       |
| Trade receivables                                     | 1,19,168.74                      | —          | —        | —       |
| Loans                                                 | 26.85                            | —          | —        | —       |
| Other financial assets (current and non-current)      | 62,640.33                        | —          | —        | —       |
| <b>Measured at cost</b>                               |                                  |            |          |         |
| Investments (non-current)                             | 945.42                           | —          | —        | —       |
| <b>Measured at FVTPL</b>                              |                                  |            |          |         |
| Investments (current and non-current)                 | 171.91                           | —          | —        | 171.91  |
| <b>Financial liabilities:</b>                         |                                  |            |          |         |
| <b>Measured at amortised cost</b>                     |                                  |            |          |         |
| Borrowings (current and non-current)                  | 2,61,927.78                      | —          | —        | —       |
| Trade payables                                        | 84,820.56                        | —          | —        | —       |
| Lease liabilities (current and non-current)           | 1,624.83                         | —          | —        | —       |
| Other financial liabilities (current and non-current) | 5,442.11                         | —          | —        | —       |
| <b>Measured at FVTOCI</b>                             |                                  |            |          |         |
| Derivative liabilities                                | 3,728.99                         | —          | 3,728.99 | —       |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(₹ Lacs)

| Particulars                                           | Carrying amount | Fair value |         |         |
|-------------------------------------------------------|-----------------|------------|---------|---------|
|                                                       | 31 March 2025   | Level 1    | Level 2 | Level 3 |
| <b>Financial assets:</b>                              |                 |            |         |         |
| <b>Measured at amortised cost</b>                     |                 |            |         |         |
| Cash and cash equivalents                             | 7,063.55        | –          | –       | –       |
| Bank balances other than cash and cash equivalents    | 4,407.11        | –          | –       | –       |
| Trade receivables                                     | 1,08,668.87     | –          | –       | –       |
| Loans                                                 | 140.60          | –          | –       | –       |
| Other financial assets (current and non-current)      | 51,962.82       | –          | –       | –       |
| <b>Measured at cost</b>                               |                 |            |         |         |
| Investments (non-current)                             | 973.60          | –          | –       | –       |
| <b>Measured at FVTOCI</b>                             |                 |            |         |         |
| Derivative assets                                     | 466.04          | –          | 466.04  | –       |
| <b>Measured at FVTPL</b>                              |                 |            |         |         |
| Investments (current and non-current)                 | 171.91          | –          | –       | 171.91  |
| <b>Financial liabilities:</b>                         |                 |            |         |         |
| <b>Measured at amortised cost</b>                     |                 |            |         |         |
| Borrowings (current and non-current)                  | 2,53,914.36     | –          | –       | –       |
| Trade payables                                        | 84,930.32       | –          | –       | –       |
| Lease liabilities (current and non-current)           | 2,818.12        | –          | –       | –       |
| Other financial liabilities (current and non-current) | 5,805.89        | –          | –       | –       |
| <b>Measured at FVTOCI</b>                             |                 |            |         |         |
| Derivative liabilities                                | 256.58          | –          | 256.58  | –       |

### Fair value hierarchy

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unquoted equity securities.

### Fair valuation method

The fair value of the financial assets and liabilities is 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. The following methods and assumptions were used to estimate the fair values:

#### Financial assets:

The Group has not disclosed the fair values for loans, trade receivables, cash and cash equivalents including other bank balances and other financial assets because management believes that their carrying amounts are a reasonable approximation of their fair value.

**Investments:** Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

**Derivative assets / liabilities:** Fair value is arrived from future cash flows based on forward exchange rates from observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Financial liabilities:

**Borrowings:** It includes loans taken from banks and financial institution, cash credit and bill discounting facilities. Borrowings are classified and subsequently measured in the financial statements at amortized cost. Considering that the interest rate on loans is reset on a monthly / quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.

**Trade payables and other financial liabilities:** Fair values of trade payables and other financial liabilities are measured at carrying value, as most of them are settled within a short period and so their fair values are assumed almost equal to the carrying values.

### Note 35.2 : Financial risk management:

The Group's activities expose the Group to financial risks: credit risk, liquidity risk and market risk.

#### Risk management framework

The Board of directors of the Holding Company has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. Risk Management Committee examines the priority of risks and mitigation actions.

The Audit Committee of the Holding Company oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by internal auditor. Internal Audit function includes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

#### i) Credit risk:

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. Bank deposits includes an amount of ₹ 4,011.84 Lacs (31 March 2025: ₹ 9,390.2 Lacs) held with banks having high quality credit rating which is individually in excess of 10% or more of the Group's total bank deposits for the year ended 31 March 2026. None of the other financial instruments of the Group result in material concentration of credit risk.

#### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 1,89,563.61 Lacs and ₹ 1,72,703.42 Lacs as at 31 March 2026 and 31 March 2025, respectively, being the total of the carrying amount of balances with banks, bank deposits, investments, trade receivables and other financial assets excluding cash in hand and equity investments.

#### Geographic concentration of credit risk

Geographic concentration of trade receivables (gross and net of allowances) is as follows:

| Particulars                    | As at 31 March 2026 |       | As at 31 March 2025 |         |
|--------------------------------|---------------------|-------|---------------------|---------|
|                                | Gross %             | Net % | Gross %             | Gross % |
| North America                  | 70%                 | 72%   | 70%                 | 72%     |
| Europe, Middle East and Africa | 19%                 | 18%   | 17%                 | 16%     |
| India and Asia pacific         | 9%                  | 8%    | 11%                 | 10%     |
| Rest of the world              | 2%                  | 2%    | 2%                  | 2%      |

Geographical concentration of trade receivables is allocated based on the location of the customers.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation. The Group believes that the working capital and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Management monitors rolling forecast of the Group's liquidity position and cash and bank balances on the basis of expected cash flows. This is generally carried out by the Management in accordance with practice and limits set by the Group. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Group has also entered into supply chain finance arrangement to smoothen the payment process of the suppliers. Although the payment terms are not significantly extended beyond the normal credit terms agreed upon with other suppliers, the cash flows became more predictable.

### A) Financing arrangement

The Group maintains the following line of credit:

a) Terms loans taken from bank aggregating to ₹ 50,006.92 Lacs (31 March 2025 : ₹ 40,899.17 Lacs) repayable in various quarterly and yearly installments with interest rate ranging from 8.92% to 14.04% (31 March 2025 : 7.56% to 12.52%) per annum. Term loans, non convertible debentures and foreign currency convertible bonds from financial institutions aggregating to ₹ 1,21,276.34 Lacs (31 March 2025 : ₹ 1,09,853.38 Lacs) with interest rate ranging from 4.5% to 14.77% (31 March 2025 : 4.5% to 13.56%) per annum.

b) Working capital loans from banks carry an effective interest rate of 8.31% (31 March 2025: 9.31%) per annum, computed on a monthly basis on the actual amount utilized, and are repayable as per terms of the facility. Refer note 19.2 for details of security.

c) The Group has taken receivable bill discounting facility from banks which are payable within 180 days from date of bill discounted.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2026 and 31 March 2025. The amounts are gross and undiscounted contractual cash flow and includes contractual interest payment and exclude netting arrangements:

#### As at 31 March 2026

(₹ Lacs)

| Particulars                   | Undiscounted Contractual cash flows |             |             |             |                   |
|-------------------------------|-------------------------------------|-------------|-------------|-------------|-------------------|
|                               | Carrying amount                     | Total       | 0-1 year    | 1-5 years   | 5 years and above |
| <b>Financial liabilities:</b> |                                     |             |             |             |                   |
| Borrowings                    | 2,61,927.78                         | 3,00,888.25 | 1,46,462.62 | 1,38,227.02 | 16,198.61         |
| Trade payables                | 84,820.56                           | 84,820.56   | 84,820.56   | –           | –                 |
| Lease liabilities             | 1,624.83                            | 2,002.71    | 547.14      | 1,455.57    | –                 |
| Other financial liabilities   | 9,171.10                            | 9,171.10    | 9,171.10    | –           | –                 |

#### As at 31 March 2025

(₹ Lacs)

| Particulars                   | Undiscounted Contractual cash flows |             |             |             |                   |
|-------------------------------|-------------------------------------|-------------|-------------|-------------|-------------------|
|                               | Carrying amount                     | Total       | 0-1 year    | 1-5 years   | 5 years and above |
| <b>Financial liabilities:</b> |                                     |             |             |             |                   |
| Borrowings                    | 2,53,914.36                         | 3,07,549.75 | 1,33,308.30 | 1,50,108.53 | 24,132.92         |
| Trade payables                | 84,930.32                           | 84,930.32   | 84,930.32   | –           | –                 |
| Lease liabilities             | 2,818.12                            | 3,427.10    | 1,424.39    | 2,002.71    | –                 |
| Other financial liabilities   | 6,062.47                            | 6,062.47    | 6,062.47    | –           | –                 |

As disclosed in note 16.1, the Group has secured loan from banks and financial institutions that contains loan covenants. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table. Except for these financial liabilities, it is not expected that cash flows included in maturity analysis could occur significantly earlier.



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### iii) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### a) Foreign currency risk:

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currency of the Group. The functional currency of the holding Company is INR. The currencies in which these transactions are primarily denominated are USD, GBP, EURO etc.

Management monitors the movement in foreign currency and the Group's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Group decides to hedge its foreign currency. A majority portion of the Group's revenues are in foreign currencies, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee appreciates relative to foreign currencies, the Company's revenues measured in Indian rupees may decrease. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Group uses derivative and non-derivative financial instruments, such as foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

All hedging activities are carried out in accordance with the Group's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Group operates.

The following table gives details in respect of outstanding foreign exchange forward contracts in relation to Sell Contracts:

| Currency     | As at 31 March 2026              |                  |                   | As at 31 March 2025              |                  |               |
|--------------|----------------------------------|------------------|-------------------|----------------------------------|------------------|---------------|
|              | in Foreign Currency in (Million) | ₹ Lacs           | MTM (₹ Lacs)      | in Foreign Currency in (Million) | ₹ Lacs           | MTM (₹ Lacs)  |
| In USD       | 618.89                           | 55,741.60        | (3,728.99)        | 878.04                           | 76,191.81        | 209.47        |
| <b>Total</b> | <b>–</b>                         | <b>55,741.60</b> | <b>(3,728.99)</b> | <b>–</b>                         | <b>76,191.81</b> | <b>209.47</b> |

The foreign exchange forward contracts mature within 12 months. The table below analyses the derivative financial instruments sell contracts into relevant maturity groupings based on the remaining period as on the balance sheet date:

| Particulars       | (₹ Lacs)            |                     |
|-------------------|---------------------|---------------------|
|                   | As at 31 March 2026 | As at 31 March 2025 |
| Less than 30 days | 7,678.41            | 6,211.41            |
| 31 to 90 days     | 6,936.26            | 5,423.30            |
| 91 to 180 days    | 16,942.51           | 20,068.28           |
| 181 to 365 days   | 24,184.42           | 44,488.82           |
| <b>Total</b>      | <b>55,741.60</b>    | <b>76,191.81</b>    |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk (unhedged foreign currency exposure) as reported to management is as follows:

| Particulars                 | Currency | As at 31 March 2026                |                  | As at 31 March 2025                |                  |
|-----------------------------|----------|------------------------------------|------------------|------------------------------------|------------------|
|                             |          | Amount in foreign currency in Lacs | Amount in ₹ Lacs | Amount in foreign currency in Lacs | Amount in ₹ Lacs |
| Cash and cash equivalents   | EUR      | –                                  | –                | 0.01                               | 1.05             |
| Trade receivables           | USD      | 522.61                             | 49,466.92        | 569.08                             | 48,702.71        |
|                             | EUR      | 33.52                              | 3,654.02         | 45.82                              | 4,230.64         |
|                             | GBP      | 7.15                               | 898.45           | 5.25                               | 581.91           |
|                             | AED      | –                                  | –                | 0.02                               | 0.35             |
| Other non current assets    | EUR      | –                                  | –                | 0.02                               | 2.19             |
|                             | JPY      | –                                  | –                | 19.74                              | 11.25            |
| Other current assets        | USD      | 4.25                               | 402.12           | 1.59                               | 135.78           |
|                             | EUR      | 0.42                               | 45.35            | 0.38                               | 34.85            |
|                             | GBP      | 0.10                               | 12.05            | 0.01                               | 0.25             |
|                             | CHF      | 0.04                               | 4.40             | 0.10                               | 9.67             |
| Borrowings                  | USD      | 152.74                             | 14,457.56        | 125.70                             | 10,757.92        |
| Trade payables              | USD      | 8.39                               | 794.34           | 27.19                              | 2,327.17         |
|                             | EUR      | 0.76                               | 82.88            | 1.01                               | 93.17            |
|                             | GBP      | 0.32                               | 39.86            | 0.22                               | 24.16            |
|                             | CHF      | 0.01                               | 1.66             | 0.09                               | 8.35             |
|                             | JPY      | 0.41                               | 0.24             | 2.46                               | 1.40             |
| Other current liabilities   | USD      | 2.54                               | 240.24           | 0.64                               | 54.91            |
|                             | EUR      | –                                  | –                | 0.05                               | 4.85             |
|                             | GBP      | 0.04                               | 4.81             | 0.03                               | 3.37             |
| Other financial liabilities | USD      | 2.46                               | 233.00           | 2.41                               | 206.03           |
|                             | EUR      | –                                  | –                | 4.61                               | 425.34           |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

The following significant exchange rates have been applied

| Currency | Year end spot rate |               |
|----------|--------------------|---------------|
|          | 31 March 2026      | 31 March 2025 |
| USD/INR  | 94.65              | 85.58         |
| EUR/INR  | 109.01             | 92.32         |
| GBP/INR  | 125.63             | 110.74        |
| AED/INR  | 25.70              | 23.26         |
| CHF/INR  | 116.98             | 96.65         |
| JPY/INR  | 0.59               | 0.57          |

### Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, EURO and GBP against ₹ at 31 March 2026 and 31 March 2025 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

| Particulars          | Profit or loss (before tax) |           | Equity, net of tax |           |
|----------------------|-----------------------------|-----------|--------------------|-----------|
|                      | Strengthening               | Weakening | Strengthening      | Weakening |
| <b>31 March 2026</b> |                             |           |                    |           |
| USD (1% movement)    | 341.44                      | (341.44)  | 222.13             | (222.13)  |
| EURO (1% movement)   | 36.16                       | (36.16)   | 23.53              | (23.53)   |
| GBP (1% movement)    | 8.66                        | (8.66)    | 5.63               | (5.63)    |
| AED (1% movement)    | –                           | –         | –                  | –         |
| CHF (1% movement)    | 0.03                        | (0.03)    | 0.02               | (0.02)    |
| JPY (1% movement)    | (0.00)                      | 0.00      | (0.00)             | 0.00      |
| <b>31 March 2025</b> |                             |           |                    |           |
| USD (1% movement)    | 354.92                      | (354.92)  | 230.90             | (230.90)  |
| EURO (1% movement)   | 37.45                       | (37.45)   | 24.37              | (24.37)   |
| GBP (1% movement)    | 5.55                        | (5.55)    | 3.61               | (3.61)    |
| AED (1% movement)    | 0.00                        | (0.00)    | 0.00               | (0.00)    |
| CHF (1% movement)    | 0.01                        | (0.01)    | 0.01               | (0.01)    |
| JPY (1% movement)    | 0.10                        | (0.10)    | 0.06               | (0.06)    |

### Interest rate risk

Interest rate risk primarily arises from floating rate borrowings, including various revolving and other lines of credit. The Group's investments are primarily in short-term investments, which do not expose it to significant interest rate risk. The Group's borrowings comprises of term loans, working capital loans and bill discounting which carries variable rate of interest, which expose it to interest rate risk.

#### a) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ Lacs)

| Particulars                          | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------------------|---------------------|---------------------|
| Borrowings (current and non current) | 2,61,927.78         | 2,53,914.36         |
| <b>Total</b>                         | <b>2,61,927.78</b>  | <b>2,53,914.36</b>  |



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### b) Sensitivity

(₹ Lacs)

| Particulars                          | Profit or loss (before tax) |                          | Equity, net of tax       |                          |
|--------------------------------------|-----------------------------|--------------------------|--------------------------|--------------------------|
|                                      | 25 basis points Increase    | 25 basis points Decrease | 25 basis points Increase | 25 basis points Decrease |
| <b>31 March 2026</b>                 |                             |                          |                          |                          |
| Borrowings (current and non current) | (644.80)                    | 644.80                   | (419.48)                 | 419.48                   |
| <b>31 March 2025</b>                 |                             |                          |                          |                          |
| Borrowings (current and non current) | (667.16)                    | 667.16                   | (434.03)                 | 434.03                   |

### Note 35.3: Capital management

The Group's policy is to maintain a stable and strong capital base structure with a focus on total equity so as to uphold investor, creditor and market confidence and to sustain future development and growth of the business. The Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For the purpose of Group's capital management, adjusted net debt is defined as aggregate on non-current borrowing, current borrowing and current maturities of long-term borrowings and lease liabilities less cash and cash equivalents, deposits and current investments and total equity includes issued capital and all other equity reserves.

The Group's adjusted net debt equity ratio were as follows:

(₹ Lacs)

| Particulars                                                                                       | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---------------------------------------------------------------------------------------------------|------------------------|------------------------|
| Borrowings including lease liabilities (current and non-current) and interest accrued but not due | 2,65,597.98            | 2,58,844.49            |
| Less: Cash and cash equivalents including deposits                                                | (7,675.27)             | (11,439.39)            |
| <b>Adjusted net debt</b>                                                                          | <b>2,57,922.71</b>     | <b>2,47,405.10</b>     |
| Total equity                                                                                      | 2,14,073.59            | 2,03,273.44            |
| <b>Net debt to equity ratio</b>                                                                   | <b>1.20</b>            | <b>1.22</b>            |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 36 : Related party disclosures

#### Note 36.1 : Name of related parties and description of relationship

| Description of relationship                                                                                                             | Names of the related parties                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Key management personnel                                                                                                                | <p>Dinesh Kumar Himatsingka – Executive Chairman</p> <p>Shrikant Himatsingka – Executive Vice Chairman &amp; Managing Director</p> <p>S Shanmuga Sundaram – Executive Director (Ceased to be director w.e.f. December 14, 2024)</p> <p>Sankaranarayanan. M – Chief Financial Officer</p> <p>Bindu D - Company Secretary &amp; Compliance Officer</p> <p><b>Non-executive directors</b></p> <p>Harminder Sahni – Independent Director</p> <p>Sandhya Vasudevan – Independent Director</p> <p>Shyam Powar – Independent Director (Resigned w.e.f. January 24, 2025)</p> <p>Ravi Kumar – Independent Director</p> <p>Manish K. Joshi – Nominee Director</p> |
| Transaction with entities over which key management personnel or relatives of such personnel are able to exercise significant influence | <p>Jacaranda Design LLC</p> <p>Bihar Mercantile Union Private Limited</p> <p>Orient Silk Private Limited</p> <p>Aditya Resources Limited</p> <p>Priya Resources Private Limited</p> <p>Awdhan Trading Co Ltd</p> <p>Wazir Advisors Private Limited</p> <p>Himatsingka Foundation</p> <p>Enchanting Weaves LLP</p> <p>Samskaraa Design Lab Private Limited</p>                                                                                                                                                                                                                                                                                            |
| Transaction with relatives of key management personnel                                                                                  | <p>Mrs. Rajshree Himatsingka (Wife of Dinesh Kumar Himatsingka)</p> <p>Ms. Priyadarshini Himatsingka (Daughter of Dinesh Kumar Himatsingka)</p> <p>Mrs. Akanksha Himatsingka (Wife of Shrikant Himatsingka)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Transaction with relatives of promoters                                                                                                 | Jayshree Poddar                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |



## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### List of subsidiaries (including step down subsidiaries)

The Group's subsidiaries are set out below. Unless otherwise stated, they have same capital consisting solely of equity shares that are held directly by the Group and the proportion of the ownership interest held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

| Name of the entity                           | Subsidiary/<br>Step<br>Subsidiary/<br>Associate | Country of domicile      | Ownership interest held by the Group as at |               | Principal activities of each subsidiary/associate |
|----------------------------------------------|-------------------------------------------------|--------------------------|--------------------------------------------|---------------|---------------------------------------------------|
|                                              |                                                 |                          | 31 March 2026                              | 31 March 2025 |                                                   |
| Himatsingka Wovens Private Limited           | Subsidiary                                      | India                    | 100%                                       | 100%          | Retailing of home furnishings*                    |
| Himatsingka Holdings NA Inc.                 | Subsidiary                                      | United States of America | 100%                                       | 100%          | Sale and distribution of textiles                 |
| Himatsingka America Inc.                     | Step down subsidiary                            | United States of America | 100%                                       | 100%          | Sale and distribution of textiles                 |
| AMPIN Energy C&I Twenty Four Private Limited | Associate                                       | India                    | 47%                                        | 47%           | Generation of renewable energy                    |

\* During the financial year 2017-18 the Company has ceased its trading activity, and has started earning rental income by letting out its investment properties.

### Note 36.2 : Related party transactions during the year

(₹ Lacs)

| Particulars                                 | Name of the related party                    | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---------------------------------------------|----------------------------------------------|----------------------------------|----------------------------------|
| Sale of products to                         | Samskaraa Design Lab Private Limited         | 60.21                            | –                                |
| Sale of products to                         | Enchanting Weaves LLP                        | 0.21                             | –                                |
| Professional fees                           | Jacaranda Design LLC                         | –                                | 83.62                            |
|                                             | Wazir Advisors Private Limited               | 7.51                             | 12.75                            |
|                                             | Jayshree Poddar                              | 26.25                            | –                                |
| Purchase of power from                      | AMPIN Energy C&I Twenty Four Private Limited | 1,305.03                         | –                                |
| Investments in equity shares                | AMPIN Energy C&I Twenty Four Private Limited | –                                | 572.75                           |
| Contribution in relation to CSR Expenditure | Himatsingka Foundation                       | –                                | 89.65                            |

### Note 36.3: Balance payable and investments in to related parties as at the balance sheet date:

(₹ Lacs)

| Particulars               | Name of the related party                                | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------|----------------------------------------------------------|---------------------|---------------------|
| Other payables            | Jacaranda Design LLC                                     | 447.31              | 447.31              |
|                           | Wazir Advisors Private Limited                           | 18.41               | 19.60               |
|                           | Jayshree Poddar                                          | 3.75                | –                   |
| Trade payables            | AMPIN Energy C&I Twenty Four Private Limited             | 116.64              | –                   |
| Investments in associates | AMPIN Energy C&I Twenty Four Private Limited (Associate) | 572.75              | 572.75              |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 36.4 : Compensation and dividend payment to key management personnel

(₹ Lacs)

| Particulars               | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|---------------------------|-------------------------------------|-------------------------------------|
| Salaries and compensation | 1,002.81                            | 971.48                              |
| Commission                | 530.00                              | –                                   |
| Dividend paid             | 51.12                               | 51.12                               |
| Sitting fees              | 29.50                               | 22.50                               |
| <b>Total</b>              | <b>1,613.43</b>                     | <b>1,045.10</b>                     |

\*The Board of Directors of the Holding Company has approved a commission of ₹ 260 Lacs for FY 2025–26. Additionally, the commission pertaining to FY 2024–25 amounting to ₹ 270 Lacs, as approved by the Board, has been recognized.

### Note 36.5 Compensation and dividend payment to other related parties

#### i) Relatives of key management personnel

(₹ Lacs)

| Particulars               | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|---------------------------|-------------------------------------|-------------------------------------|
| Salaries and compensation | 150.40                              | 150.40                              |
| Dividend paid             | 15.35                               | 15.34                               |
| <b>Total</b>              | <b>165.75</b>                       | <b>165.74</b>                       |

#### ii) Entities over which key management personnel are able to exercise significant influence

(₹ Lacs)

| Particulars                            | For the year ended<br>31 March 2026 | For the year ended<br>31 March 2025 |
|----------------------------------------|-------------------------------------|-------------------------------------|
| <b>Dividend paid</b>                   |                                     |                                     |
| Bihar Mercantile Union Private Limited | 15.67                               | 15.67                               |
| Orient Silk Private Limited            | 8.59                                | 8.59                                |
| Aditya Resources Limited               | 8.24                                | 8.24                                |
| Priya Resources Private Limited        | 7.80                                | 7.80                                |
| Awdhan Trading Co Ltd                  | 10.32                               | 10.32                               |
| <b>Total</b>                           | <b>50.62</b>                        | <b>50.62</b>                        |

Managerial remuneration does not include cost of employee benefits such as gratuity since, provision for these are based on an actuarial valuation carried out for the Company as a whole.

### Terms and conditions

All transactions with these related parties are made on normal commercial terms.

### Note 36.6 : Details of non-current investments purchased and sold during the year under Section 186(4) of the Act:

#### Investments in equity instruments

(₹ Lacs)

| (a) Associates                                              | Face value<br>per unit | As at<br>1 April 2025 | Purchased<br>during the<br>year | Sold during<br>the year | As at 31<br>March 2026 |
|-------------------------------------------------------------|------------------------|-----------------------|---------------------------------|-------------------------|------------------------|
| AMPIN Energy C&I Twenty Four Private Limited<br>(Associate) | INR 10                 | 572.75                | –                               | –                       | 572.75                 |
|                                                             |                        | (57,27,500)*          | –                               | –                       | (57,27,500)*           |

| (b) Associates                                              | Face value<br>per unit | As at<br>1 April 2024 | Purchased<br>during the<br>year | Sold during<br>the year | As at 31<br>March 2025 |
|-------------------------------------------------------------|------------------------|-----------------------|---------------------------------|-------------------------|------------------------|
| AMPIN Energy C&I Twenty Four Private Limited<br>(Associate) | INR 10                 | –                     | 572.75                          | –                       | 572.75                 |
|                                                             |                        |                       | (57,27,500)*                    |                         | (57,27,500)*           |

\* The amounts in parenthesis represents number of shares

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

### Note 37 : Transfer pricing

The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group is in the process of updating the documentation for the international transactions entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the end of the stipulated timeline, as required by law. The Management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the consolidated financial statements, particularly on the amount of tax expenses and that of provision for taxation.

### Note 38 : Other statutory Information

- i) No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.
- ii) The Group do not have any transactions with companies struck off under section 248 of the Companies Act 2013.
- iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the current or previous year.
- v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a) 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
  - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - a) 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
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii) The Group did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961, where applicable.
- viii) The Group has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- ix) a) In regard to accounting software (SAP)

The Group has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, we did not come across any instance of audit trail feature being tampered with at application level. Additionally, the audit trail has been preserved by the Group as per the statutory requirements for record retention for application level.

However, with respect to the database level of the said software which has been managed and maintained by a third-party service provider, in the absence of sufficient and appropriate audit evidence adequate coverage in SOC report we are unable to assess whether the database of the software to log any direct changes has a feature of recording audit trail (edit log) facility and whether the same has been enabled and operated throughout the year for all relevant transaction recorded or whether there is any instance of audit trail feature being tampered with. Also, we are unable to assess whether the audit trail feature of prior years have been preserved by the Group as per the statutory requirements for record retention at database level.

b) In regard to accounting software (Sara and Zing HR) The Group has used certain accounting softwares for maintaining its books of account (managed and maintained by a third-party software service provider) which have a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the softwares. Further, the audit trail of prior years has been preserved by the Group as per the statutory requirements for record retention.

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

**Note 39 : Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements for the year ended 31 March 2026 -**

| Name of the Entity                                             | Net assets, i.e., total assets minus total liabilities |                    | Share in profit or (loss)           |                 | Share in Comprehensive income             |                   | Share in total comprehensive income             |                  |
|----------------------------------------------------------------|--------------------------------------------------------|--------------------|-------------------------------------|-----------------|-------------------------------------------|-------------------|-------------------------------------------------|------------------|
|                                                                | As % of consolidated net assets                        | Amount (₹ Lacs)    | As % of consolidated profit or loss | Amount (₹ Lacs) | As % of consolidated Comprehensive income | Amount (₹ Lacs)   | As % of consolidated total comprehensive income | Amount (₹ Lacs)  |
| Himatsingka Seide Limited                                      | 109%                                                   | 2,33,522.89        | 97%                                 | 6,013.08        | (60)%                                     | (3,050.36)        | 26%                                             | 2,962.72         |
| <b>Indian Subsidiaries</b>                                     |                                                        |                    |                                     |                 |                                           |                   |                                                 |                  |
| Himatsingka Wovens Private Limited                             | 1%                                                     | 2,262.22           | 3%                                  | 163.22          | 0%                                        | -                 | 1%                                              | 163.22           |
| <b>Foreign Subsidiaries</b>                                    |                                                        |                    |                                     |                 |                                           |                   |                                                 |                  |
| Himatsingka Holdings NA Inc.                                   | 62%                                                    | 1,33,085.26        | (0.1)%                              | (3.57)          | 0%                                        | -                 | (0.0)%                                          | (3.57)           |
| Himatsingka America Inc.                                       | 19%                                                    | 40,276.07          | 3%                                  | 214.01          | 0%                                        | -                 | 2%                                              | 214.01           |
| Twill & Oxford LLC                                             | 0%                                                     | -                  | 0%                                  | -               | 0%                                        | -                 | 0%                                              | -                |
| <b>Indian Associates (Investment as per the equity method)</b> |                                                        |                    |                                     |                 |                                           |                   |                                                 |                  |
| AMPIN Energy C&I Twenty Four Private Limited                   | 0.2%                                                   | 521.62             | (0.4)%                              | (27.33)         | 0.00%                                     | -                 | (0.2)%                                          | (27.33)          |
|                                                                |                                                        | <b>4,09,668.06</b> |                                     | <b>6,359.42</b> |                                           | <b>(3,050.36)</b> |                                                 | <b>3,309.06</b>  |
| Consolidated adjustments                                       | (91)%                                                  | (1,95,594.47)      | (3)%                                | (163.22)        | 160%                                      | 8,170.54          | 71%                                             | 8,007.31         |
| <b>Total</b>                                                   | <b>100%</b>                                            | <b>2,14,073.59</b> | <b>100%</b>                         | <b>6,196.19</b> | <b>100%</b>                               | <b>5,120.18</b>   | <b>100%</b>                                     | <b>11,316.37</b> |

## Notes to the Consolidated Financial Statements for the year ended 31 March 2026

Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements for the year ended 31 March 2025 -

| Name of the Entity                                             | Net assets, i.e., total assets minus total liabilities |                    | Share in profit or (loss)           |                 | Share in Comprehensive income             |                 | Share in total comprehensive income             |                 |
|----------------------------------------------------------------|--------------------------------------------------------|--------------------|-------------------------------------|-----------------|-------------------------------------------|-----------------|-------------------------------------------------|-----------------|
|                                                                | As % of consolidated net assets                        | Amount (₹ Lacs)    | As % of consolidated profit or loss | Amount (₹ Lacs) | As % of consolidated Comprehensive income | Amount (₹ Lacs) | As % of consolidated total comprehensive income | Amount (₹ Lacs) |
| Himatsingka Seide Limited                                      | 114%                                                   | 2,30,874.77        | 193%                                | 14,668.59       | 9%                                        | 219.46          | 150%                                            | 14,888.05       |
| <b>Indian Subsidiaries</b>                                     |                                                        |                    |                                     |                 |                                           |                 |                                                 |                 |
| Himatsingka Wovens Private Limited                             | 1%                                                     | 2,345.75           | 2%                                  | 158.63          | 0%                                        | –               | 2%                                              | 158.63          |
| <b>Foreign Subsidiaries</b>                                    |                                                        |                    |                                     |                 |                                           |                 |                                                 |                 |
| Himatsingka Holdings NA Inc.                                   | 59%                                                    | 1,20,331.98        | (0.3)%                              | (22.31)         | 0%                                        | –               | (0.2)%                                          | (22.31)         |
| Himatsingka America Inc.                                       | 18%                                                    | 36,215.16          | (103)%                              | (7,867.65)      | 0%                                        | –               | (79)%                                           | (7,867.65)      |
| Twill & Oxford LLC                                             | 0%                                                     | –                  | 0%                                  | –               | 0%                                        | –               | 0%                                              | –               |
| <b>Indian Associates (Investment as per the equity method)</b> |                                                        |                    |                                     |                 |                                           |                 |                                                 |                 |
| AMPIN Energy C&I Twenty Four Private Limited                   | 0%                                                     | 548.95             | 0%                                  | (23.80)         | 0%                                        | –               | 0%                                              | (23.80)         |
|                                                                |                                                        | <b>3,90,316.62</b> |                                     | <b>6,913.46</b> |                                           | <b>219.46</b>   |                                                 | <b>7,132.92</b> |
| Consolidated adjustments                                       | (92)%                                                  | (1,87,043.17)      | 9%                                  | 690.57          | 91%                                       | 2,106.91        | 28%                                             | 2,797.48        |
| <b>Total</b>                                                   | <b>100%</b>                                            | <b>2,03,273.44</b> | <b>100%</b>                         | <b>7,604.03</b> | <b>100%</b>                               | <b>2,326.37</b> | <b>100%</b>                                     | <b>9,930.40</b> |

### Note 40 : Events after the reporting period

- On 27 May 2026, the Board of Directors of the Holding Company approved the issuance of non-convertible debentures (NCD) upto INR 600 Crores with green shoe option of upto INR 250 Crores on private placement basis at coupon/interest of 11.50 % p.a. payable quarterly.
- On 27 May 2026, the Board of Directors of the Holding Company recommended a final dividend of ₹ 0.25 per equity share to be paid to the shareholders for financial year 2025-26, which needs to be approved by shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 314.36 Lakhs.

As per our report of even date attached

For **M S K A & Associates LLP**  
(Formerly known as M S K A & Associates)  
Chartered Accountants  
Firm's Registration Number: 105047W/W101187

**Vikram Dhanania**  
Partner  
Membership Number: 060568

For and on behalf of the Board of Directors of  
**Himatsingka Seide Limited**

**D.K. Himatsingka**  
Executive Chairman  
DIN: 00139516

**Sankaranarayanan. M**  
Chief Financial Officer

**Shrikant Himatsingka**  
Executive Vice Chairman & Managing Director  
DIN: 00122103

**Bindu D**  
Company Secretary  
Membership number: A23290

Place: Bengaluru  
Date : 27 May 2026

Place: Bengaluru  
Date : 27 May 2026

Place: Bengaluru  
Date : 27 May 2026







INSPIRED EXCELLENCE